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IN THE MATTER OF QWEST
CORPORATION'S COMPLIANCE WITH
§ 271 OF THE TELECOMMUNICATIONS
ACT OF 1996

DOCKET NO. T-00000B-97-0238

CHECKLIST ITEM 2, 5, and 6

REBUTTAL AFFIDAVIT OF

KAREN A. STEWART

QWEST CORPORATION

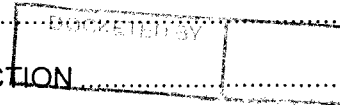
SEPTEMBER 29, 2000

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Arizona Corporation Commission
DOCKETED

SEP 29 2000



1 **I. Identification of Affiant**

2 My name is Karen A. Stewart. I am a Director in the Qwest Corporation (Qwest),
3 formerly known as U S WEST Communications, Inc. Regulatory Strategy organization.¹

4 My office is located at 421 SW Oak Street, Portland, Oregon. I filed an affidavit on
5 March 25, 1999 providing direct testimony in this docket. In addition, I filed a
6 supplemental affidavit on July 21, 2000.

7 **II. Purpose of Rebuttal Affidavit**

8 The purpose of my rebuttal testimony is to reply to the testimony of the five parties
9 commenting on accessing Unbundled Network Elements (UNEs), unbundled switching,
10 unbundled transport, UNE-Combinations, and EELs: specifically the testimony of David
11 M. Kaufman on behalf of e-spire Communications, Inc ("e-spire"); Michael A. Beach of
12 WorldCom, Inc. ("WCOM"); the comments of AT&T and TCG Phoenix (AT&T); the
13 comments of Eschelon Telecom of Arizona ("Eschelon"); and the comments of Z-Tel
14 Communications, Inc. ("Z-Tel").

15 Many of these parties (particularly Eschelon) have submitted extensive testimony
16 regarding alleged problems they have had in the past with the former U S WEST when
17 they attempted to negotiate terms to order UNE-P. Qwest does not agree with many of
18 these allegations, but Qwest has decided to focus its testimony on its current practices
19 and procedures, rather than to spend valuable workshop time fighting about what may
20 or may not have happened in the past. The focus of this proceeding is whether Qwest
21 currently meets the standards of Section 271.

22 Qwest admits that its policies and procedures have changed from the policies of the old
23 U S WEST. U S WEST challenged its obligation to provide UNE-P, and the Eighth
24 Circuit agreed. The Supreme Court has disagreed with the Eighth Circuit, and the FCC
25 has clarified Qwest's obligation to provide UNE-P in the UNE Remand Order. Qwest

¹ Qwest Corporation is the successor to U S WEST communications, Inc. Qwest filed an Authority to Transact Business application with the Commission on July 6, 2000. That application is pending. Nevertheless,

1 has since that time been developing its processes, policies and procedures for
2 processing UNE-P orders. That development has not been without problems, but
3 Qwest has learned from its experience and is confident that it can process CLECs'
4 reasonably foreseeable demand for UNE-P orders. Qwest's ability to process UNE-p
5 orders will be exhaustively evaluated in the OSS test.

6 Incorporated into this rebuttal testimony are SGAT sections concerning general terms
7 and conditions for accessing Unbundled Network Elements (UNEs), unbundled
8 switching, unbundled transport, UNE-Combinations, and EELs. To facilitate a section
9 by section review of the SGAT, I have first included the existing SGAT section wording
10 identified in CLEC comments, then their concerns and last the Qwest response to those
11 issues. The base SGAT used was filed in Arizona on July 21, 2000. Qwest will file
12 updated SGAT pages to incorporate the agreed to changes to the SGAT that result from
13 the workshop. We will make available a copy of a standalone SGAT red-lined to show
14 all Qwest proposed changes before the workshop.

15 **III. Scope of October 11-13 Workshop**

16 The October 11-13 workshop will address aspects of checklist items 2 (minus OSS and
17 OSS testing issues), 5, and 6; specifically, UNE-Combinations including EELs, and all
18 transport and switching issues not already covered in the Advanced Services workshop.

19 AT&T's Comments on page 10, and pages 41-44 provides responsive testimony on
20 Network Interface Devices (NID) issues that will be addressed in the Unbundled Loop
21 Workshop on November 14-16, 2000. I will respond to the NID issues raised by AT&T
22 in my Checklist item 4 Unbundled Loop rebuttal testimony.

23 Several parties expressed concerns about the requirement to have an addendum to
24 their interconnection agreement to order UNE-P service.² In the Advanced Services
25 workshop Qwest confirmed its policy of requiring specific interconnection agreement
26 language to cover all services, rates and charges that would apply to CLEC. It is not

given that Qwest's principal place of business is in Colorado, and that the name change is effective there, this pleading has been filed under the name of Qwest.

² e-spire at Page 5, Eschelon at Page 5

1 realistic (nor practical) that complex services and legal obligations would not be in a
2 written form between the parties. This issue was identified in the Advanced Services
3 workshop as AS2. Qwest believes that the issue of requiring an interconnection
4 agreement addendum is not product specific, but is applicable to all sections of the
5 SGAT. Qwest recommends the issue be addressed in the appropriate forum.

6 Eschelon provides comments on the Kansas Corporation Commission "Fresh Look"
7 review of termination charges by the incumbent local exchange carrier ("ILEC").³ Qwest
8 believes this issue is beyond the scope of this workshop. Qwest would note that the
9 Oregon Public Utility Commission, on March 29, 2000, denied a CLEC petition to open
10 a local service Fresh Look docket in Oregon. The Commission declined to even open
11 an investigation proceeding. As the Oregon Commission Staff correctly identified, this
12 is a common industry practice for both ILECs and CLECs. Moreover, contracts that
13 include termination liability penalties usually provide a lower price incentive to have the
14 customer sign a fixed term agreement. If customers are simply allowed to opt out of the
15 agreements a form of price discrimination may have occurred between customers and
16 an ILEC may not have recovered all of its cost of providing the service.

17 Qwest recommends that the issues of "Fresh Look" not be reviewed in this workshop.
18 Exhibit KAS Exhibit 1 contains a copy of Oregon Commission Staff Report and the
19 accompanying Oregon Commission Order No. 00-177.

20 21 **IV. Section 2.0 - INTERPRETATION AND CONSTRUCTION**

22 **Section 2 Issue 1**

23 **Current SGAT Language:**

24 2.1 This Agreement ("Agreement") includes this Agreement and all
25 Exhibits appended hereto, each of which is hereby incorporated by
26 reference in this Agreement and made a part hereof. All references to
27 Sections and Exhibits shall be deemed to be references to Sections of, and
28 Exhibits to, this Agreement unless the context shall otherwise require. The
29 headings used in this Agreement are inserted for convenience of reference
30 only and are not intended to be a part of or to affect the meaning of this

³ Eschelon at Pg. 9

1 Agreement. Unless the context shall otherwise require, any reference to
2 any agreement, other instrument (including Qwest or other third party
3 offerings, guides or practices), statute, regulation, rule or tariff applies to
4 such agreement, instrument, statute, regulation, rule or tariff as amended
5 and supplemented from time to time (and, in the case of a statute,
6 regulation, rule or tariff, to any successor provision).

7
8 2.2 The provisions in this Agreement are based, in large part, on the
9 existing state of the law, rules, regulations and interpretations thereof, as of
10 the date hereof (the "Existing Rules"). Among the Existing Rules are the
11 results of arbitrated decisions by the Commission which are currently being
12 challenged by Qwest or CLEC. Among the Existing Rules are certain FCC
13 rules and orders that are the subject of, or affected by, the opinion issued
14 by the Supreme Court of the United States in *AT&T Corp., et al. v. Iowa*
15 *Utilities Board, et al.* on January 25, 1999. Many of the Existing Rules,
16 including rules concerning which Network Elements are subject to
17 unbundling requirements, may be changed or modified during legal
18 proceedings that follow the Supreme Court opinion. Among the Existing
19 Rules are the FCC's orders regarding BOCs' applications under Section
20 271 of the Act. Qwest is basing the offerings in this Agreement on the
21 Existing Rules, including the FCC's orders on BOC 271 applications.
22 Nothing in this Agreement shall be deemed an admission by Qwest
23 concerning the interpretation or effect of the Existing Rules or an admission
24 by Qwest that the Existing Rules should not be vacated, dismissed, stayed
25 or modified. Nothing in this Agreement shall preclude or estop Qwest or
26 CLEC from taking any position in any forum concerning the proper
27 interpretation or effect of the Existing Rules or concerning whether the
28 Existing Rules should be changed, dismissed, stayed or modified. To the
29 extent that the Existing Rules are changed, vacated, dismissed, stayed or
30 modified, then this Agreement and all contracts adopting all or part of this
31 Agreement shall be amended to reflect such modification or change of the
32 Existing Rules. Where the Parties fail to agree upon such an amendment
33 within sixty (60) days from the effective date of the modification or change
34 of the Existing Rules, it shall be resolved in accordance with the Dispute
35 Resolution provision of this Agreement. It is expressly understood that this
36 Agreement will be corrected to reflect the outcome of generic proceedings
37 by the Commission for pricing, service standards, or other matters covered
38 by this Agreement. This Section shall be considered part of the rates,
39 terms and conditions of each interconnection, service and network element
40 arrangement contained in this Agreement, and this Section shall be
41 considered legitimately related to the purchase of each interconnection,
42 service and network element arrangement contained in this Agreement.

1 **CLEC Concern(s):**

2 AT&T requests that Qwest provide a detailed inventory of its present challenges to
3 "Existing Rules" and identify the sections of the SGAT that may change as a
4 consequence of Qwest's possible success.⁴

5 **Qwest Response:**

6 There is no reason to change this section. Section 2.2 is simply a change of law
7 provision, which are standard in interconnection agreements. Many of the parties to this
8 proceeding have indicated that they are challenging existing rules. For example,
9 WCOM has indicated that it has asked the FCC for a waiver concerning EELs. It is an
10 undeniable fact that the law in this area is continuously evolving, and all parties benefit
11 from a change of law provision like Section 2.2. Moreover, this is a general SGAT
12 provision that is better reviewed in SGAT docket.

13 **V. Section 4.0 - DEFINITIONS**

14

15 **Section 4 Issue 1**

16 **Current SGAT Language:**

17 4.61.1 "Unbundled Network Element Platform (UNE-P)" – is a combination
18 of unbundled network elements, including Unbundled Loop, Unbundled
19 Local Switching and Shared Transport. There are several forms of UNE-P,
20 including single line residence, single line business, and PBX Trunks.

21

22 **CLEC Concern(s):**

23 AT&T believes Qwest's definition of "Unbundled Network Element Platform (UNE-P)" in
24 Section 4.61 fails to include all the network elements that must ordinarily be provided as

1 part of UNE-P. AT&T recommends that the list be amended to include references to the
2 NID, Tandem Switching, Dedicated Transport, Signaling and SCPs/Databases and a
3 reference that it includes any other network elements necessary to provide basic local
4 exchange service.⁵

5 **Qwest Response:**

6 The FCC refers to UNE-P as "the loop-switch port platform combination."⁶ Qwest
7 agrees to modify the definition of UNE-P to clarify it includes the unbundled network
8 elements that are necessary to provide the loop-switch-port combination requested.
9 However, some of the items listed by AT&T are already included in the UNEs listed.
10 For example, the unbundled loop includes use of a NID; shared transport includes
11 tandem switching functionality; and unbundled switching includes signaling options.
12 Qwest is concerned that listing these UNEs separately, when their costs are already
13 part of another UNE utilized in UNE-P service, could be confusing when a less
14 knowledgeable CLEC is doing rate comparisons.

15 **Qwest Proposed SGAT Language:**

16 4.61 "Unbundled Network Element Platform (UNE-P)" – is a
17 combination of unbundled network elements, including Unbundled Loop,
18 Unbundled Local Switching and Shared Transport and unbundled network
19 elements necessary to support the loop-switch-port combination requested.
20 There are several forms of UNE-P, including but not limited to, single line
21 residence, single line business, and PBX Trunks.

22

23 **Section 4 Issue 2**

24 **Current SGAT Language:**

⁴ AT&T at Page 19

⁵ AT&T Page 46

⁶ *In the matter of Application of SBC Communications, Inc., et al.* Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Services in Texas, cc Docket No. 00-65, FCC 00-238, Memorandum Opinion and Order, June 30, 2000, para. 218.

1 4.62 "UNE Combination" means a pre-existing combination of legally
2 binding and effective Section 251(c)(3) unbundled network elements that
3 have been defined to meet the necessary and impair requirements of
4 Section 251(d)(1). UNE Combinations are provided to CLEC in a
5 combined state, and at Section 252(d)(1) rates. UNE combinations include
6 **UNE-P and Private Line Combinations.**

7
8 **CLEC Concern(s):**

9 AT&T asserts that the definition should be rewritten to eliminate any ambiguity that
10 UNE-P and UNE-Combinations are not limited to pre-existing or combined UNEs or any
11 specific types of combinations.⁷

12 **Qwest Response:**

13 To address AT&T's concerns, Qwest will remove the word "pre-existing" from Section
14 4.6.2.

15 **V. Section 9.0 - UNBUNDLED NETWORK ELEMENTS**

16 **Section 9.1 Issue 1**

17 **Current SGAT Language:**

18 **9.1 General Terms**

19
20 9.1.1 The provisions in this Agreement are based, in large part, on the
21 existing state of the law, rules, regulations and interpretations thereof, as of
22 the date hereof (the "Existing Rules"). Among the Existing Rules are the
23 results of arbitrated decisions by the Commission which are currently being
24 challenged by Qwest or CLEC. Among the Existing Rules are certain FCC
25 rules and orders that are the subject of, or affected by, the opinion issued
26 by the Supreme Court of the United States in *AT&T Corp., et al. v. Iowa*
27 *Utilities Board, et al.* on January 25, 1999. Many of the Existing Rules,
28 including rules concerning which Network Elements are subject to
29 unbundling requirements, may be changed or modified during legal
30 proceedings that follow the Supreme Court opinion. Among the Existing
31 Rules are the FCC's orders regarding BOCs' applications under Section

⁷ AT&T Pages 46 & 47

271 of the Act. Qwest is basing the offerings in this Agreement on the Existing Rules, including the FCC's orders on BOC 271 applications. Nothing in this Agreement shall be deemed an admission by Qwest concerning the interpretation or effect of the Existing Rules or an admission by Qwest that the Existing Rules should not be vacated, dismissed, stayed or modified. Nothing in this Agreement shall preclude or estop Qwest or CLEC from taking any position in any forum concerning the proper interpretation or effect of the Existing Rules or concerning whether the Existing Rules should be changed, dismissed, stayed or modified. To the extent that the Existing Rules are changed, vacated, dismissed, stayed or modified, then this Agreement and all contracts adopting all or part of this Agreement shall be amended to reflect such modification or change of the Existing Rules. Where the Parties fail to agree upon such an amendment within sixty (60) days from the effective date of the modification or change of the Existing Rules, it shall be resolved in accordance with the Dispute Resolution provision of this Agreement. It is expressly understood that this Agreement will be corrected to reflect the outcome of generic proceedings by the Commission for pricing, service standards, or other matters covered by this Agreement. This Section shall be considered part of the rates, terms, and conditions of the unbundled network element arrangement contained in this Agreement, and this Section shall be considered legitimately related to the purchase of each unbundled network element arrangement contained in this Agreement.

CLEC Concern(s):

AT&T restates it request that Qwest provide a detailed inventory of its present challenges to "Existing Rules" and identify the sections of the SGAT that may change as a consequence of Qwest's possible success.⁸ AT&T recommends that Section 9.1.1 be deleted because it is redundant and outdated.⁹

Qwest Response:

Because Section 2.2 is adequate, Qwest agrees to delete Section 9.1.1.

Section 9.1 Issue 2

⁸ AT&T at Page 19

⁹ AT&T at Page 19

1 **Current SGAT Language:**

2 9.1.2 Qwest shall provide non-discriminatory access to unbundled
3 network elements on rates, terms and conditions that are non-
4 discriminatory, just and reasonable. Qwest shall provide to CLEC on a
5 non-discriminatory basis unbundled network elements of substantially the
6 same quality as the network facilities that Qwest uses to provide service to
7 its own end-users within a reasonable timeframe and with a minimum of
8 service disruption.

9

10 **CLEC Concern(s):**

11 AT&T states that Section 9.1.2 imperfectly captures the appropriate FCC standards to
12 be followed in providing access to UNEs. AT&T recommends the following SGAT
13 language:

14 9.1.2 Qwest shall provide non-discriminatory access to network
15 elements on an unbundled basis at any technically feasible point on rates,
16 terms and conditions that are just, reasonably and nondiscriminatory.
17 Qwest shall provide the same quality of UNEs and access to UNEs as it
18 provides all requesting carriers, itself, its end users, its affiliates and any
19 other third person, and, where technically feasible, the access and
20 unbundled network element provided by Qwest must be provided in
21 substantially the same time and manner to that which the incumbent
22 provides itself, its end users, its affiliates and any other third person.
23 Notwithstanding the foregoing, Qwest shall provide access and UNEs at
24 the service performance levels set forth in Section 20. Notwithstanding
25 specific language in other sections of this SGAT, all provisions of this
26 SGAT regarding unbundled network elements are subject to this
27 requirement. In addition, U S WEST shall comply with all state wholesale
28 and retail service quality requirements.

29

30 9.1.2.1 In the event Qwest fails to meet the requirements of Section
31 9.1.2, Qwest shall release, indemnify, defend and hold harmless CLEC and
32 each of its officers, directors, employees and agents (each an "Indemnitee")
33 from and against and in respect of any loss, debt, liability, damage,
34 obligation, claim, demand, judgment or settlement of any nature or kind,
35 known or unknown, liquidated or unliquidated including, but no limited to,
36 costs and attorneys' fees.

37

1 Qwest shall indemnify and hold harmless Indemnities from and against
2 any and all claims, losses, damages or other liability that arises from
3 Qwest's failure to comply with state retail or wholesale service quality
4 standards in the provision of unbundled network elements.¹⁰

5
6 **Qwest Response:**

7 Qwest would agree to more closely quote the FCC standards noted by AT&T in
8 paragraphs 490-491 of the UNE Remand Order. However, the actual SGAT language
9 proposed by AT&T also "imperfectly captures" the FCC language in the referenced
10 paragraphs. The actual FCC language states:

11 490. We reaffirm the conclusion the Commission adopted in the *Local*
12 *Competition First Report and Order* that national rules defining
13 "nondiscriminatory access" to unbundled network elements will reduce the
14 costs of entry and speed the development of competition in local
15 telecommunications markets.⁹⁸⁶ We find that the phrase "nondiscriminatory
16 access" in section 251(c)(3) means at least two things: first, the quality of
17 an unbundled network element that an incumbent LEC provides, as well as
18 the access provided to that element, must be equal between all carriers
19 requesting access to that element; second, where technically feasible, the
20 access and unbundled network element provided by an incumbent LEC
21 must be provided in "substantially the same time and manner" to that which
22 the incumbent provides to itself.⁹⁸⁷

23
24 491. In those situations where an incumbent LEC does not provide access
25 to network elements to itself, we reaffirm our requirement that incumbent
26 LECs must provide access in a manner that provides a requesting carrier
27 with a meaningful opportunity to compete.⁹⁸⁸ Because we believe that the
28 technical infeasibility problem will arise rarely, we expect incumbent LECs
29 to fulfill the non-discrimination requirement in nearly all instances where
30 they provision unbundled network elements. In the rare instances where
31 technical feasibility issues arise, incumbent LECs must prove to a state
32 commission that it is technically infeasible to provide access to unbundled
33 elements at the same level of quality that the incumbent LEC provides to
34 itself.⁹⁸⁹

¹⁰ AT&T at Page 19 and 20

Qwest objects to AT&T's language in Section 9.1.2 regarding state wholesale and retail service quality standards. Statewide wholesale and retail service quality standards are clearly beyond the scope of this workshop. Qwest has every intention of following state wholesale and retail service quality standards. However, the issue of the applicability of such standards, and especially the retail standards, is generally considered in the actual state service quality proceeding.

Qwest also objects to AT&T's proposed indemnity language in Section 9.1.2.1. Indemnity issues are clearly covered in Sections 5.8 and 5.9 of the SGAT, and these general SGAT provisions will be reviewed in the SGAT docket and not in this workshop.

Qwest Proposed SGAT Language:

9.1.2 Qwest shall provide non-discriminatory access to unbundled network elements on rates, terms and conditions that are non-discriminatory, just and reasonable. The quality of an unbundled network element Qwest provides, as well as the access provided to that element, will be equal between all CLECs requesting access to that element; second, where technically feasible, the access and unbundled network element provided by Qwest will be provided in "substantially the same time and manner" to that which Qwest provides to itself. In those situations where Qwest does not provide access to network elements to itself, Qwest will provide access in a manner that provides CLEC with a meaningful opportunity to compete.

Section 9.1 Issue 3

Current SGAT Language:

9.1.3 CLEC shall not use unbundled network elements or ancillary services as substitutes for special or switched access services, except to the extent CLEC provides such services to its end users in association with local exchange services.

CLEC Concern(s):

AT&T recommends that 9.1.3 be reviewed to confirm it allows all permitted use of UNEs under FCC rules. AT&T believes the reference to "ancillary services," is unclear, and

1 Qwest should identify what ancillary services CLECs are prohibited from as substitutes
2 for special or switched access services.¹¹

3 **Qwest Response:**

4 Qwest will allow all permitted uses of UNEs under current FCC rules. The "ancillary
5 services" identified above generally refers to the list of ancillary services contained in
6 Appendix A of the SGAT.

7 **Section 9.1 Issue 4**

8 **Current SGAT Language:**

9 9.1.4 Qwest will provide a connection between unbundled network
10 elements and a demarcation point. Such connection is an Interconnection
11 Tie Pair (ITP). An ITP is required for each unbundled network element,
12 ancillary service or interconnection service delivered to CLEC. The ITP
13 provides the connection between the unbundled network element or
14 interconnection service and the ICDF or demarcation point. The ITP is
15 ordered in conjunction with a UNE. There is a recurring and nonrecurring
16 charge for the ITP as contained in Exhibit A. The ITP may be ordered per
17 termination. The demarcation point shall be:

18

19 a) at CLEC-provided cross-connection equipment located in CLEC's Virtual
20 or Physical Collocation Space; or

21 b) if CLEC elects to use ICDF Collocation, at the Interconnection
22 Distribution Frame (ICDF); or

23 c) if CLEC elects to use an ICDF in association with Virtual or Physical
24 Collocation, at the ICDF; or

25 d) at another demarcation point mutually-agreed to by the Parties.

26

27 **CLEC Concern(s):**

¹¹ AT&T at Page 20

1 AT&T states Qwest should not charge CLECs any kind of recurring charge for the ITP.
2 In addition, AT&T recommends Qwest add an additional kind of demarcation point as
3 subsection 9.1.4(d):

4 (d) if CLEC elects to use a direct connection from their collocation space to the
5 distribution frame serving a particular element.¹²

6

7 **Qwest Response:**

8 Qwest does not agree to AT&T's recommendation that the recurring charges for ITPs
9 be eliminated. The issue of appropriate ITP cost recovery, and its resulting impact on
10 recurring and non-recurring rates for ITPs, should be reviewed in the upcoming cost
11 docket, and is beyond the scope of this workshop.

12 Qwest does agree to add the additional kind of demarcation point as identified above by
13 AT&T as (d) and to re-label the existing item (d) as (e).

14 **Section 9.1 Issue 5**

15 **Current SGAT Language:**

16 9.1.6 Except as set forth in the UNE Combinations Section, Qwest
17 provides UNEs on an individual element basis. In such circumstances,
18 CLEC is responsible for the end-to-end transmission and circuit
19 functionality. CLEC is responsible to test end-to-end on unbundled loops,
20 ancillary and finished services combinations.

21

22 **CLEC Concern(s):**

23 AT&T believes Qwest should insert in this section a representation that a CLEC's
24 access will permit all required testing for determining end-to-end transmission and
25 circuit functionality. AT&T recommends that Qwest insert in this section an affirmative
26 obligation to assist CLECs upon a reasonable request to confirm functionality or other
27 operating parameters of the UNE. Further, AT&T believes Qwest must modify this

¹² AT&T at Page 21

1 provision to make clear that Qwest is responsible for testing individual elements at the
2 request of the CLEC when Qwest's maintenance and repair activities require it.¹³

3 **Qwest Response:**

4 Qwest agrees that CLECs will have access to UNEs at the collocation-established
5 network demarcation point to perform all technically feasible testing to determine end-
6 to-end transmission and circuit functionality. Upon a reasonable request by the CLEC,
7 Qwest will confirm functionality or other operating parameters testing of the UNE
8 consistent with the rates and charges for such testing as identified in Exhibit A SGAT
9 under 9.20 Miscellaneous Elements. Further, Qwest agrees to modify this provision to
10 make clear that Qwest will test individual elements at the reasonable request of the
11 CLEC when Qwest's maintenance and repair activities require it. Such testing will be
12 consistent with testing appropriate to the individual UNE being tested and subject to
13 12.3.4 Trouble Isolation section of the SGAT.

14 **Qwest proposed SGAT language:**

15 9.1.6.1 Except as set forth in the UNE Combinations Section, Qwest
16 provides UNEs on an individual element basis. In such circumstances,
17 CLEC is responsible for the end-to-end transmission and circuit
18 functionality. CLEC is responsible to test end-to-end on unbundled loops,
19 ancillary and finished services combinations. CLEC will have access to
20 UNEs at the collocation-established network demarcation point to perform
21 all technically feasible testing to determine end-to-end transmission and
22 circuit functionality. Upon a reasonable request by CLEC, Qwest will
23 confirm functionality or other operating parameters testing of the UNE
24 consistent with the rates and charges for such testing as identified in
25 Exhibit A under 9.20 Miscellaneous Elements. Qwest will test individual
26 elements at the reasonable request of the CLEC when Qwest's
27 maintenance and repair activities require it. Such testing will be consistent
28 with testing appropriate to the individual UNE being tested and subject to
29 12.3.4 Trouble Isolation.

30 **Section 9.1 Issue 6**

31 **Current SGAT Language:**

32 9.1.7 Installation intervals for unbundled loops are contained in Exhibit

¹³ AT&T at Page 21

1 C. Installation intervals for other UNEs are provided herein or in the
2 Interconnect and Resale Resource Guide.

3 **CLEC Concern(s):**

4 Several CLECs have asserted that Qwest should identify UNE by UNE, what intervals
5 are specified in the IRRG. Once identified, Qwest should incorporate into the SGAT
6 such intervals.¹⁴

7 **Qwest Response:**

8 Exhibit C of the SGAT was amended 07/21/2000 to include the installation intervals as
9 specified in the IRRG for each UNE included in this workshop. Qwest will also add to
10 Exhibit C the appropriate list of installation intervals for UNE-Combinations.

11 **Section 9.1 Issue 7**

12 **Current SGAT Language:**

13 9.1.8 In order to maintain and modernize the network properly, Qwest
14 may make necessary modifications and changes to the UNEs in its network
15 on an as needed basis. Such changes may result in minor changes to
16 transmission parameters. Qwest shall provide advance notice of changes
17 that affect network interoperability pursuant to applicable FCC rules.

18

19 **CLEC Concern(s):**

20 AT&T does not object in principal to this reservation, and believes that Qwest appears
21 to warrant that such changes will result in nothing more than "minor changes to
22 transmission parameters." AT&T has concerns that Qwest's modification may create
23 material changes in the quality and character of Qwest's UNEs and the access to
24 UNEs.¹⁵ AT&T requests that Qwest provide examples of the kinds of modifications that

¹⁴ AT&T at Page 22

¹⁵ AT&T at Page 22

1 would affect "network interoperability" that would require advance notice pursuant to
2 FCC rules.¹⁶

3 **Qwest Response:**

4 Minor changes to transmission parameters of UNEs will present themselves in activities
5 associated with changes to the UNE transmission medium or software. These changes
6 will not, however, alter the technical parameters (i.e., interface requirements) tied to
7 individual services provisioned over the UNE. An example of minor maintenance
8 activities which might result in minor changes to transmission parameters is migration of
9 a copper pair from one cable to another. In this scenario, an irreparable copper pair, or
10 cable, in one cable may be moved to another copper cable that serves the same
11 customer. This movement may result in minor changes to the loop length, copper
12 gauge, or bridge tap, for instance. In any case, the transmission parameters of the new
13 copper cable will be within established limits for individual services provisioned over that
14 cable.

15 Minor network modernization activities may include migration of copper feeder pairs to a
16 digital loop carrier system, migration of T1 facilities from a D4 carrier bank to a DACS,
17 migration of T1 AMI circuits to HDSL, or replacement of TR-057 ISDN digital loop carrier
18 line cards with TR-393 line cards. While transmission parameters may change in these
19 scenarios, the services provisioned to the CLEC by the affected UNEs will be delivered
20 within transmission parameters appropriate to that service.

21 **Qwest Proposed SGAT Language:**

22 9.1.8 In order to maintain and modernize the network properly, Qwest
23 may make necessary modifications and changes to the UNEs in its network
24 on an as needed basis. Such changes may result in minor changes to
25 transmission parameters. Network maintenance and modernization
26 activities will result in UNE transmission parameters that are within
27 transmission limits of the UNE ordered by CLEC. Qwest shall provide
28 advance notice of changes that affect network interoperability pursuant to
29 applicable FCC rules. Changes that affect network interoperability include
30 changes to local dialing from 7 to 10 digit, area code splits, new area code

¹⁶ AT&T at Page 23

1 implementation. FCC rules are contained in CFR Part 51 and 52. Qwest
2 provides such disclosures on an internet web site.

3 **Section 9.1 Issue 7**

4 **Current SGAT Language:**

5 9.1.9 Channel Regeneration Charge. This charge is required when the
6 distance from the Qwest network to the leased physical space (for Physical
7 Collocation), the collocated equipment (for Virtual Collocation), or the ICDF
8 (for ICDF Collocation) is of sufficient length to require regeneration.

9 **CLEC Concern(s):**

10 AT&T believes Qwest should supply regeneration for UNEs to CLEC point of access
11 and recommends this provision be deleted.¹⁷

12 **Qwest Response:**

13 Qwest does not agree to this recommendation. When Qwest (U S WEST) first
14 developed its Expanded Interconnection Channel Terminations (EICT) functionally to
15 provide a CLEC access to a UNE in its collocation space, it included the "jumper"
16 functionality and regeneration as required. During arbitration proceedings Qwest was
17 required to remove the charges for regeneration, and to charge regeneration only when
18 required and as requested by the CLEC.

19 In the alternative, Qwest would agree to review how regeneration costs could be added
20 to the EICTs and ITPs in the upcoming cost docket.

21 **Section 9.1 Issue 8**

22 **Current SGAT Language:**

23 9.1.12 Miscellaneous Charges may include, for example, Cancellation
24 Charges, Due Date Change Charges, Design Change Charges, Additional
25 Dispatch Charge, and Additional Engineering. Rates are contained in
26 Exhibit A.

¹⁷ AT&T at Page 23

1 **CLEC Concern(s):**

2 AT&T states the SGAT should specifically identify the circumstances under which
3 “Miscellaneous Charges” will apply.¹⁸

4 **Qwest Response:**

5 Qwest agrees to define and identify when “Miscellaneous Charges” will apply at the
6 point in time the other general sections of the SGAT are reviewed.

7 **VI. Unbundled Dedicated Interoffice Transport (UDIT)**

8 **Section 9.6 Issue 1**

9 **Current SGAT Language:**

10

11 9.6 Unbundled Dedicated Interoffice Transport (UDIT)

12 Qwest shall provide Unbundled Dedicated Interoffice Transport (UDIT) in a
13 non-discriminatory manner according to the following terms and conditions.

14 9.6.1 Description

15 9.6.1.1 Unbundled Dedicated Interoffice Transport (UDIT) provides CLEC
16 with a network element of a single transmission path between two Qwest
17 Wire Centers in the same LATA and state. Extended Unbundled Dedicated
18 Interoffice Transport (EUDIT) provides CLEC with a bandwidth specific
19 transmission path between the Qwest Serving Wire Center to CLEC's Wire
20 Center or an IXC's point of presence located within the same Qwest
21 Serving Wire Center area. UDIT is a distance-sensitive, flat-rated
22 bandwidth-specific interoffice transmission path designed to a DSX in each
23 Qwest Wire Center. EUDIT is a flat-rated, bandwidth-specific interoffice
24 transmission path. EUDITs and UDITs are available in DS1, DS3, OC-3
25 and OC-12 bandwidths and such higher capacities as evolve over time
26 where facilities are available. UDIT is also available in DS0 bandwidth.
27 CLEC can assign channels and transport its choice of voice or data.
28 Specifications, interfaces and parameters are described in U S WEST
29 Technical Publication 77389.

30 **CLEC Concern(s):**

1 WCOM states that Qwest's technical publications must be consistent with, or must
2 incorporate, recognized industry standards.¹⁹

3 AT&T and WCOM states that the definition fails to provide for all feasible transmission
4 capabilities (e.g. OC48 and OC192).²⁰, and should be revised to include a transmission
5 path between wire centers or switches of requesting CLECs.²¹

6 AT&T states this section creates a distinction between dedicated transport provided
7 between two Qwest wire centers (UDIT) and dedicated transport provided between a
8 Qwest wire center and a CLEC wire center or IXC POP, i.e. Extended Unbundled
9 Dedicated Interoffice Transport ("EUDIT"). AT&T is specifically concerned that a
10 CLECs must order each UDIT and EUDIT element separately, even though they may
11 be for transport of the same traffic.²²

12 **Qwest Response:**

13 Qwest is committed to being consistent with mandatory industry standards. In addition,
14 in the Advanced Services Workshop, the issue of technical publications and a possible
15 additional change management process has been identified as issue AS2. Qwest
16 recommends that this issue continue to be addressed in the Advanced Services
17 Workshop.

18 Qwest agrees that EUDIT and UDIT are available in all technically feasible bandwidths
19 where facilities exist, to include all OCN level services existing in the Qwest network at
20 the time of the CLEC's request for UDIT or EUDIT. Given the extremely limited demand
21 and spare capacity availability of OCN level services, Qwest recommends that OCN
22 level requests be handled on an individual case basis (ICB).

¹⁸ AT&T at Page 23

¹⁹ WCOM at Page 16

²⁰ AT&T Page 26 and WCOM at Page 16

²¹ WCOM at Page 16

²² AT&T Page 26

1 Qwest agrees to amend its SGAT language to reflect the FCC requirement: "EUDITs
2 and UDITs are available in DS1 through OC192 bandwidths and such higher capacities
3 as evolve over time where facilities are available."

4 Qwest agrees to provide existing unbundled dedicated transport between all locations
5 identified in the FCC rules and related orders. By delineating the unbundled dedicated
6 transport between the Qwest serving wire center and the CLEC central office as
7 "EUDIT", Qwest's intent was to clearly identify that this specific segment of dedicated
8 transport has historically been recovered in cost models and resultant rate schedules as
9 a non-distance sensitive rate element. All other "interoffice" transport has typically been
10 'cost modeled' and rated on a fixed and per mile basis.

11 For example, other transport services have this segment of "transport" as a non-
12 distance sensitive rate component, e.g., in Switched Access Services it is an "entrance
13 facility" and in retail private line tariffs it is typically called a "channel termination".

14 AT&T correctly identifies (using a private line analogy) if transport was required from the
15 CLEC central office and through the Qwest serving wire center to a distant Qwest
16 central office, the CLEC would have an EUDIT (i.e. a channel termination) into the
17 serving wire center, and then UDIT (i.e., the fixed and per mile) element between the
18 serving wire center and the distant central office.

19 This a standard industry practice on how to rate dedicated transport and is not an
20 inappropriate rate structure as implied by AT&T. In reality, this "concern" among the
21 parties is really a cost model and rate issue. Therefore, Qwest recommends that the
22 cost and rate structure issues associated with the EUDIT portion of unbundled transport
23 be deferred to the cost docket.

24 **Section 9.6 Issue 2**

25 **Current SGAT Language:**

26 9.6.1.2 An Unbundled Multiplexer is offered as a stand-alone element
27 associated with UDIT. A 3/1 Multiplexer provides CLEC with the ability to
28 multiplex the DS3 44.736 Mbps signal to 28 DS1 1.544 Mbps channels.

1 The 3/1 Multiplexer, in conjunction with an ITP, provides a DS3 signal
2 terminated at a demarcation point and 28 DS1 signals terminated at a
3 demarcation point. A 1/0 Multiplexer provides CLEC with the ability to
4 multiplex the DS1 1.544 Mbps signal to 24 DS0 64 Kbps channels. The
5 1/0 Multiplexer provides a DS1 signal terminated at a demarcation point
6 and 24 DS0 signals terminated at a demarcation point.

7 **CLEC Concern(s):**

8 AT&T states that Qwest's SGAT is unclear whether this multiplexer is required as a part
9 of a CLEC's access to dedicated transport as a UNE. AT&T believes multiplexing in
10 this context should be offered as an option available to CLECs. AT&T recommends that
11 Qwest clarify whether it is being offered as a UNE under the SGAT, or, if it is not being
12 offered as a UNE, explain why it is not a UNE. AT&T requests Qwest add SONET
13 add/drop multiplexing to Section 9.6.1.2.²³

14 **Qwest Response:**

15 Multiplexing is an option in the SGAT available to the CLEC. Multiplexing is not a UNE,
16 because it is not identified in the FCC unbundling rules as a separate UNE.
17 Multiplexing is a feature; functionality of transport that Qwest is offering as part of the
18 UDIT UNE. Use of a multiplexer is an option available to the CLEC on an as-needed
19 basis. In response to the AT&T request that Qwest should add SONET add/drop
20 multiplexing to Section 9.6.1.2, the FCC in the UNE Remand specifically noted that
21 incumbent LECs have limited requirements as it relates to SONET rings. The FCC
22 stated:

23 **Notwithstanding the fact that we require incumbents to unbundle**
24 **high-capacity transmission facilities, we reject Sprint's proposal to**
25 **require incumbent LECs to provide unbundled access to SONET**
26 **rings.** In the *Local Competition First Report and Order*, the Commission
27 limited an incumbent LEC's transport unbundling obligation to existing
28 facilities, and did not require incumbent LECs to construct facilities to meet
29 a requesting carrier's requirements where the incumbent LEC has not
30 deployed transport facilities for its own use. Although we conclude that an
31 incumbent LEC's unbundling obligation extends throughout its ubiquitous

²³ AT&T Page 27

1 transport network, including ring transport architectures, we do not require
2 incumbent LECs to construct new transport facilities to meet specific
3 competitive LEC point-to-point demand requirements for facilities that the
4 incumbent LEC has not deployed for its own use.²⁴

5 Qwest does not accept the AT&T suggestion to add SONET add/drop multiplexers to
6 this section as a standard offering. Qwest believes that requests to access SONET
7 add/drop multiplexers is so situation specific, that it is a classic ICB situation.

8 **Section 9.6 Issue 3**

9 **Current SGAT Language:**

10 9.6.2 Terms and Conditions

11 9.6.2.1 CLEC is responsible for performing cross connections within their
12 collocation between UDIT, EUDIT and other UNEs, ancillary services and
13 finished services and transmission design work, including regeneration
14 requirements for such connections.

15 **CLEC Concern(s):**

16 WCOM notes that Qwest has not defined the term "finished service."²⁵

17 AT&T questions if a cross connection is required between an EUDIT and a UDIT, or
18 that if a CLEC can be required to make the necessary cross connections.²⁶

19 **Qwest Response:**

20 In the context of the SGAT a "finished service" is a complete end to end service that is
21 provided to a wholesale or retail customer. This would generally include everything
22 other than UNEs or UNE combinations. Qwest does not agree to modify this section to
23 state Qwest would make all requested cross connections. Qwest is only required to
24 "cross connect", that is to combine, unbundled network elements.

²⁴ UNE Remand at 324

²⁵ WCOM at Page 17

²⁶ AT&T Pages 27 & 28

1 AT&T suggest that Qwest has an obligation under Rule 315 to combine unbundled
2 network elements with finished services. AT&T cites no legal support for its proposition.
3 Contrary to AT&T's assertion, the law firmly supports Qwest's position that its only legal
4 obligation is to combine unbundled network elements on behalf of CLECs. Section
5 251(c)(3) of the act is the provision requiring Qwest to unbundle network elements that
6 meet the necessary and impair standards. This same section is the only provision of
7 the Act concerning combinations of "such network elements." Rule 315, entitled
8 Combination of unbundled network elements, was promulgated pursuant to Section
9 251(c)(3). As such, Qwest's obligation is to provide preexisting combinations of such
10 unbundled network elements, create new combinations of such unbundled network
11 elements, and to combine its unbundled network elements with CLECs' network
12 elements. The obligation extends no further. There is simple no obligation for Qwest to
13 combine its UNEs with its finished services on CLECs' behalf.

14

15 Qwest does agree that in Arizona it would be required, upon request of the CLEC, to
16 make any necessary cross connections between unbundled network elements,
17 including EUDIT and UDIT when ordered as a combination.

18 Qwest recommends that the AT&T position that a cross connection would not be
19 required between the UDIT and EUDIT be referred to the cost docket for consideration
20 with other EUDIT cost and pricing issues.

21 **Qwest Proposed SGAT Language:**

22 9.6.2.1 CLEC is responsible for performing cross connections within their
23 Collocation between UNEs and ancillary or finished services, and for
24 transmission design work including regeneration requirements for such
25 connections.

26 **Section 9.6 Issue 4**

27 **Current SGAT Language:**

28 9.6.2.2 CLEC must order all multiplexing elements and regeneration

1 requirements with its initial installation for the 3/1 Multiplexer, including all
2 28 DS1s and the settings on the multiplexer cards. If options are not
3 selected and identified on the order by CLEC, the order will not be
4 processed until options are selected. For the 1/0 Multiplexer, the low side
5 channels may be ordered as needed. Low Side Channelization charges
6 are assigned as channels are ordered.

7 **CLEC Concern(s):**

8 AT&T states that Qwest should deliver dedicated transport to the CLEC with the
9 appropriate template signal, whether it be DS0, DS1, DS3 or OCN. AT&T states Qwest
10 must amend these sections to eliminate the requirement that a CLEC order or provide
11 regeneration and add an affirmative statement to the SGAT that requires Qwest to
12 deliver transport with the proper template signal.²⁷

13 **Qwest Response:**

14 Qwest does not accept the AT&T recommendation that Qwest must provide
15 regeneration at no additional charge. Please see the earlier response to 9.1.10. Qwest
16 agrees that it will provision the appropriate template signal, whether it is DS0, DS1, DS3
17 or OCN level UDIT. Should the CLECs accept Qwest's offer of connecting via EICTs,
18 Qwest would modify the technical publications to move the "design to" point to the
19 demarcation point.

20 **Section 9.6 Issue 5**

21 **Current SGAT Language:**

22 9.6.2.3 With the exception of pre-existing combinations provided through
23 the UNE Combinations Section, CLEC must have Collocation at both ends
24 of the UDIT.

25 **CLEC Concern(s):**

²⁷ AT&T Pages 27 & 28

1 WCOM states that the FCC has ruled that collocation is not a requirement for CLECs to
2 gain access to incumbent's interoffice transport network.²⁸ Therefore, WCOM states
3 that Qwest's collocation requirement for UDIT should be rejected.²⁹ WCOM further
4 recommends that any and all references to the term "pre-existing" in the context of
5 combinations should be removed from Qwest's proposed SGAT language.³⁰

6 AT&T suggests that this paragraph be deleted.³¹

7 **Qwest Response:**

8 Qwest agrees to remove reference to "pre-existing". Qwest believes the references
9 quoted by WCOM in the Texas 271 order discuss the impact of requiring traditional
10 caged collocation. With the Qwest ICDF Collocation option, the CLEC is able to do the
11 minimal amount of collocation necessary to create a network demarcation and to have
12 access to the central office for testing of the UDIT. Upon request, Qwest will provide a
13 CLEC access to UNEs at any demarcation point mutually-agreed to by the parties.

14 **Qwest Proposed SGAT Language:**

15 9.6.2.3 With the exception of combinations provided through the UNE
16 Combinations, Section 9.23 of the Agreement, CLEC may utilize any form
17 of Collocation at both ends of the UDIT. Collocation is required at only one
18 end of EUDIT.

19
20 **Section 9.6 Issue 6**

21 **Current SGAT Language:**

22 9.6.2.6 At the terminating location for each EUDIT, space shall be
23 provided to Qwest for the necessary termination equipment.

24 **CLEC Concern(s):**

²⁸ WCOM at Page 17

²⁹ WCOM at Page 17

³⁰ WCOM at Page 17 & 18

³¹ AT&T Page 28

1 AT&T states that Qwest does not offer here, nor in the interconnection section, to
2 compensate the CLEC for collocation of Qwest's equipment.³²

3 **Qwest Response:**

4 This Collocation issue is open in the Collocation Checklist Workshop. Qwest
5 recommends the review of this issue be completed in that workshop. Qwest would note
6 that in regards to UNEs, Qwest is allowed to recover its cost to provide the CLEC with
7 access to the UNE. Therefore, should the CLEC bill Qwest for terminating an element
8 at its premises, Qwest would in turn have to increase the rate for the UNE
9 commensurate with the cost of the "collocation". Qwest does not believe this double
10 billing would serve any useful perhaps.

11 **Section 9.6 Issue 7**

12 **Current SGAT Language:**

13 **9.6.3 Rate Elements**
14
15

16 **CLEC Concern(s):**

17 AT&T states Qwest must confirm that the many rate elements for dedicated transport
18 will be addressed in the cost docket.³³

19 WCOM's concern is that rate elements and corresponding rates in the SGAT should be
20 Commission approved.³⁴ Specifically, the non-recurring rates for UDIT and the rates for
21 OC-3 and OC-12 UDIT have not been addressed by the Commission. WCOM
22 recommends that to the extent this Commission has not considered the rates proposed

³² AT&T Page 29

³³ AT&T Page 29

³⁴ WCOM at Page 18

1 by Qwest in the SGAT, these rates should be subject to true up upon Commission
2 approval in a new cost docket.³⁵

3 WCOM further states Qwest should be required to propose rates for unbundled
4 dedicated transport at OC-48, OC-96 and OC-192.³⁶

5 **Qwest Response:**

6 Qwest agrees that the rate elements and rates for UDIT and EUDIT should be reviewed
7 in the cost docket.

8 **Section 9.6 Issue 8**

9 **Current SGAT Language:**

10 **9.6.4 Ordering Process**

11
12 9.6.4.1 Ordering processes and installation intervals are as follows:

13 9.6.4.1.1 UDIT is ordered via the ASR process. Ordering processes
14 are contained in the Support Functions Section of this Agreement.

15 9.6.4.1.2 Standard installation intervals for UDIT are contained in the
16 Interconnect & Resale Resource Guide (IRRG) and are the same as DS0,
17 DS1 and DS3 designed intervals. The interval will start when Qwest
18 receives a complete and accurate Access Service Request (ASR). This
19 date is considered the start of the service interval if the order is received
20 prior to 3:00 p.m. The service interval will begin on the next business day
21 for service requests received after 3:00 p.m. The service intervals have
22 been established and are set forth in Exhibit C, Section 2.0 to this
23 Agreement.

24 **CLEC Concern(s):**

25 WCOM proposes that Qwest revise its proposed SGAT to include intervals, service
26 quality measurements, and any appropriate remedy plans.³⁷

27 **Qwest Response:**

³⁵ WCOM at Page 18

Qwest added UDIT standard installation intervals 07/21/2000 Exhibit C of this Agreement. Once the ACC adopts a Post-271 Performance Assurance Plan, the Plan will become an Exhibit of this Agreement.

VIII. Shared Interoffice Transport

Section 9.8 Issue 1

Current SGAT Language:

9.8 Shared Interoffice Transport

Exhibit A contains both the UNE rates and market rates for this component of Unbundled Shared Transport. UNE Rates apply unless the end-user to be served has four access lines or more and the lines are located in density zone 1 in Metropolitan Statistical Areas (MSAs) specified in the UNEs - Local Switching Section. In the latter circumstance, market rates apply. Qwest shall provide Shared Interoffice Transport in a non-discriminatory manner according to the following terms and conditions.

CLEC Concern(s):

AT&T recommends this section be revised to more closely track the requirements of the FCC as identified in the Texas 271 order. Specifically, Section 9.8 should include an affirmation of the requirement that CLEC traffic shall use the same routing table resident in Qwest's switch and that this element may carry originating and terminating access traffic from, and to customers to whom the requesting carrier is also providing local exchange service.³⁸

Qwest Response:

Qwest accepts this recommendation and proposes the following language be used in a new section 9.8.2.3.

Qwest Proposed SGAT Language:

9.8.2.3 Qwest has the following obligations with respect to shared

³⁶ WCOM at Page 18

³⁷ WCOM at Page 19

³⁸ AT&T Page 30

Section 9.9 Issue 1

Current SGAT Language:

9.9 Unbundled Customer Controlled Rearrangement Element (UCCRE)

Qwest shall provide Unbundled Customer Controlled Rearrangement Element (UCCRE) in a non-discriminatory manner according to the following terms and conditions.

9.9.1 Description

9.9.1.1 Unbundled Customer Controlled Rearrangement Element (UCCRE) provides the means by which CLEC controls the configuration of unbundled network elements (UNEs) or ancillary services on a near real time basis through a digital cross connect device. UCCRE utilizes the Digital Cross-Connect System (DCS). UCCRE is available in Qwest Wire Centers that contain a DCS and such DCS is UCCRE compatible.

CLEC Concern(s):

AT&T requests that Qwest describe what UCCRE is, and to clarify its reason for placing UCCRE in the SGAT.⁴⁰

Qwest Response:

UCCRE is the wholesale version of "Command-a-Link". Command-a-Link, like UCCRE, allows the IXC to configure elements through the manipulation of ports on the Digital Cross-Connect System (DCS). The First Report and Order required ILECs to provide digital cross connect capabilities to CLECs in the same manner an ILEC offers it to Interexchange carriers. Qwest offers the CLEC UCCRE to provide the same Command-a-Link functionality to CLECs. Qwest has not received any orders for UCCRE.

X. Local Tandem Switching

Section 9.10 Issue 1

Current SGAT Language:

Description

9.10.1 1 The local tandem switching element establishes a temporary

⁴⁰ AT&T at Page 45

transport:

a) Provide shared transport in a way that enables the traffic of CLEC to be carried on the same transport facilities that Qwest uses for its own traffic;

b) Provide shared transport transmission facilities between end office switches, between end office and tandem switches, and between tandem switches in its network;

c) Permit CLEC that purchases unbundled shared transport and unbundled switching to use the same routing table that is resident in Qwest's switch;

d) Permit CLEC to use shared (or dedicated) transport as an unbundled element to carry originating access traffic from, and terminating to, customers to whom the CLEC provide local exchange service.

Section 9.8 Issue 2

Current SGAT Language:

9.8.3 Rate Elements

9.8.3.1 Shared Transport will be billed on a minute-of-use basis in accordance with the rates described in Exhibit A. Exhibit A contains both the UNE rates and market rates for this component of Unbundled Shared Transport. UNE Rates apply unless the end-user to be served has four access lines or more and the lines are located in density zone 1 in MSAs specified in the UNEs Local Switching Section. In the latter circumstance, market rates apply.

CLEC Concern(s):

WCOM proposes that this section be revised to state, "In the latter circumstances, Qwest will charge market rates in accordance with Exhibit A." WCOM's position is that all rates should be properly reflected in the SGAT.³⁹

Qwest Response:

Qwest would propose to delete the last sentence in 9.8.3.1, and to charge UNE rates in density Zone 1 MSAs for shared transport.

IX. Unbundled Customer Controlled Rearrangement Element (UCCRE)

³⁹ WCOM at Page 19

1 transmission path between two other switches, but does not include the
2 transport needed to complete the call. The local tandem switching element
3 also includes the functions that are centralized in local tandem switches
4 rather than in separate end office switches.

5 **CLEC Concern(s):**

6 AT&T states Qwest must clarify whether this offering intends to limit a CLEC's access to
7 Qwest's local tandem switches. AT&T claims, as an initial matter, that no FCC order or
8 rule on this issue distinguishes between local and other kinds of tandems. AT&T
9 requests that all references to "local tandem switches" be changed to "tandem
10 switches."⁴¹

11 AT&T proposes that Section 9.10.1 be revised to:

12 9.10.1 ~~The local tandem switching element establishes~~The tandem
13 switch element includes the facilities connecting trunk distribution frames to
14 a tandem switch, and all the functions of the switch itself, including those
15 facilities that establish a temporary transmission path between two other
16 switches. ~~The local tandem switching element~~The definition of the tandem
17 switching element also includes the functions that are centralized in local
18 tandems switches rather than in separate end office switches such as call
19 recording, the routing of calls to operator services, and signaling
20 conversion functions.⁴²

21 **Qwest Response:**

22 Qwest's unbundled tandem switching offering is limited to local tandems. Qwest does
23 not agree with AT&T's assertion that no FCC order or rule on this issue distinguishes
24 between local and other kinds of tandems. FCC rule 51.317 states:

25 (c) *Switching Capability.* An incumbent LEC shall provide
26 nondiscriminatory access, in accordance with 51.311 and section 251© (3)
27 of the Act. To local circuit switching capability and **local tandem switching**
28 capability on an unbundled basis. . . (emphasis added)⁴³

⁴¹ AT&T at Pages 36 & 37

⁴² AT&T at Page 37

⁴³ [[add cite]]

Qwest does not accept AT&T's recommendation to expand section 9.10 to cover the unbundling of access tandems.

Section 9.10 Issue 2

CLEC Concern(s):

AT&T recommends Qwest provide more detail regarding what specific "connections" it deems are necessary, how they will be provided and by whom. Specifically, AT&T proposes adding a new section as Section 9.10.2.2: (new)

9.10.2.2 The requirement to provide unbundled tandem switching includes: (i) trunk-connect facilities, including but not limited to the connection between trunk termination at a cross-connect panel and a switch trunk card; (ii) the base switching function of connecting trunks to trunks; and (iii) the functions that are centralized in tandem switches (as distinguished from separate end-office switches), including but not limited to call recording, the routing of calls to operator services, and signaling conversion features.⁴⁴

Qwest Response

Qwest agrees to add the new section proposed by AT&T with the understanding that Qwest can unbundle access to call recording equipment only to the extent any such recording equipment is be installed in a Qwest local tandem.

XI Local Switching

Section 9.11 Issue 1

Current SGAT Language:

9.11.1.1 Unbundled Local Switching encompasses line-side and trunk-side facilities, plus the features, functions, and capabilities of the switch. The features, functions, and capabilities of the switch include the basic switching function, as well as the same basic capabilities that are available to Qwest's end-users. Unbundled Local Switching also includes access to all vertical features that the switch is capable of providing, as well as any technically-feasible customized routing functions. Moreover, CLEC may purchase Unbundled Local Switching in a manner that permits CLEC to

⁴⁴ AT&T at Page 37 & 38

1 offer, and bill for, exchange access and termination of EAS/local traffic.

2 **CLEC Concern(s):**

3 AT&T states that the SGAT focuses on unbundled switching as an *element* and does
4 not actually address access to the element.⁴⁵ AT&T recommends that access should
5 be provided at both the DS0 level for copper loops and at the DS1 level for PBX trunks,
6 ISDN trunks, and Digital Loop Carrier. AT&T further states standard Digital Loop
7 Carrier interfaces should be provided to the switch, including GR303 and GR008, or any
8 other interface used by Qwest.⁴⁶

9 **Qwest Response:**

10 Qwest agrees that Unbundled Local Switching includes access to the line-side and
11 trunk-side facilities, plus the features, functions, and capabilities of the switch. This
12 access encompasses all features, functions, and capabilities of the switch to include the
13 DS1 level for PBX trunks, and ISDN trunks. Qwest does not conceptually disagree that
14 a CLEC would have access to all digital loop carrier system interfaces. However, the
15 technical feasibility and the practical application of this type of access is currently being
16 reviewed by Qwest. Qwest will provide the parties in this workshop with the results of
17 its technical feasibility study on providing unbundled TR303 access.

18 **Section 9.11 Issue 2**

19 **Current SGAT Language**

20 9.11.2.1 CLEC may purchase all vertical features that are loaded in Qwest's
21 end office switch. CLEC may request features that are not
22 activated in a Qwest end office switch utilizing the BFR Process of
23 this Agreement. If CLEC requests features that are loaded, but not
24 activated in a Qwest end office switch, appropriate recurring and
25 nonrecurring charges will apply.

26 **CLEC Concern(s):**

⁴⁵ AT&T at Page 31

⁴⁶ AT&T at Page 31

1 Eschelon states Qwest should commit in the SGAT to documenting and making readily
2 available (preferably in electronic form) a list of the features, to include Centrex
3 features, that Qwest is obligated to provide with unbundled switching. Qwest should
4 provide the USOCs for those features, just as it does today for its "available for resale"
5 list of features. Qwest should mechanize all of these features, so CLECs can actually
6 order them with UNE combinations. Qwest should also commit to provide features
7 either individually or in packages.⁴⁷

8 AT&T requests Qwest clarify which features are provided by the central office switch
9 and which by AIN capabilities, and why certain features are provided by AIN and not by
10 the switch. AT&T states any times there will be a choice as to whether features should
11 be put in the switch or in the signaling network.⁴⁸

12 AT&T recommends that Qwest modify this provision to describe with more precision a
13 definite process pursuant to which it will describe the vertical features of a given
14 switch.⁴⁹

15 Eschelon recommends the SGAT should state that the use of the BFR process is only
16 required when a feature is ordered for the first time, and Qwest does not offer it to its
17 retail customers but the switch is capable of providing it. The BFR process cannot be
18 open-ended, and it should not be used to delay the availability of the feature.⁵⁰

19 AT&T also recommends that Qwest modify this provision to establish a simpler, more
20 expeditious process for activation than BFR process.⁵¹

21 **Qwest Response:**

22 The CLEC has two ways are available through the IRRG to determine the features
23 available in an end user's serving central office at
24 <http://www.uswest.com/wholesale/guides/index.html>.

⁴⁷ Eschelon at Page 37

⁴⁸ AT&T at Page 32

⁴⁹ AT&T at Page 32

⁵⁰ Eschelon at Page 38

⁵¹ AT&T at Page 33

1 The first way is using a pull down menu shown called "Tariff & Network Info." From this
2 menu a link is available called "Interconnection Databases." Once the Interconnection
3 Databases has been selected, the CLEC would select "Central Office Find". This allows
4 the CLEC to use the end users NPA NXX to pull information about the serving wire
5 center. The information includes wire center switch code or CLLI, switch type, and
6 switch generic. The CLLI code has an additional link for more specific information about
7 the wire center. Additionally, the CLLI code can be noted down and used on another
8 link on the page "Switch Features" to get a complete listing of all the available features
9 in the wire center.

10 The second way to determine features using the IRRG would be to select "Switch
11 Features" when the CLLI code of the serving office is already known. This is a shorter
12 link, if the CLLI code is known, to the complete listing of the serving wire center
13 features.

14 CLEC who use IMA can also determine "feature availability" through IMA. A feature
15 availability query function in IMA provides all features and functions for a particular wire
16 center.

17 Whether a CLEC is using the IRRG or IMA, the features and functions are depicted as
18 USOCs. USOCs are the Telcordia code representing the feature and/or functions. The
19 IMA query provides a USOC definition in its response. The IRRG USOCs would need to
20 be looked up in reference material provided.

21 Qwest provides CLECs access to individual features, and not feature packages, so that
22 a CLEC is not required to purchase and/or activate any features it does not wants to
23 have on an individual customer's local exchange line.

24 The Qwest unbundled local switching UNE includes access to the SCE and AIN
25 database but does not include access to AIN features. This is consistent with the FCC
26 order that specifically stated ILECs are not required to unbundle AIN features. [UNE
27 remand paragraph 404], Nor is Qwest required to disclose its developmental and
28 marketing decision making process in regards to why and what competitive AIN based

1 features Qwest has decided to deploy. This restriction in no way disadvantages the
2 CLEC in accessing features that a central office technically has available. Regardless
3 of how Qwest has decided to offer a central office feature, the CLEC can make a
4 different choice, and choose to have that feature provided by the central office switch.

5 Qwest agrees to provide information to CLECs who are converting Qwest retail
6 customers to UNE-P, by USOC, all of the AIN features and to clarify that AIN features
7 are not available with UNE-P configurations. I provide more detail about this
8 commitment in Section 9.23 of this testimony.

9 Moreover, Qwest agrees to expand the list of central office features identified in the
10 SGAT. Attached as Exhibit KAS 2 are expanded unbundled switching feature lists, with
11 corresponding USOC. Qwest will work with CLECs in the workshop to determine the
12 most effective manner in which to identify central office features in the SGAT. In reality,
13 features options will vary between switches, based on manufacture and what actual
14 software release is loaded in that particular switch. This is precisely why Qwest
15 provides CLECs with on-line access to the switch feature information by CLLI code and
16 NPA NXX.

17 Qwest agrees that the traditional BFR process would only be invoked the first time a
18 new feature is required for a given switch. Qwest will augment the existing ICB process
19 to handle requests for features where a technical feasibility assessment needs to be
20 completed to assure compatibility before an order can be accepted.

21 **Section 9.11 Issue 3**

22 **Current SGAT Language**

23 9.11.2.2 Local switch ports include CLEC use of Qwest's signaling network
24 for traffic originated from the line-side switching port. CLEC access to the
25 Qwest signaling network shall be of substantially the same quality as the
26 access that Qwest uses to provide service to its own end-users.

27
28 9.11.2.3 CLEC shall be responsible for updating the 911/E911 database
29 through Qwest's third party database provider for any unbundled switch

port ordered. Additional 911/E911 provisions are contained in the Ancillary Services Section of this Agreement.

9.11.2.4 The line-side port includes the connection between the end office switch and the MDF. The connection from the MDF to the demarcation point shall be an ITP provided by Qwest pursuant to the rates in Exhibit A. The trunk-side port includes the connection between the end office switch and the TMDF. The connection from the TMDF to the demarcation point shall be an ITP provided by Qwest pursuant to the rates in Exhibit A. The demarcation point for line-side and trunk-side ports shall be as described earlier in this Section.

9.11.2.5 Unbundled Switching (and therefore Shared Transport) does not constitute a UNE, and is therefore not available at UNE rates when the end-user to be served with Unbundled Local Switching has four access lines or more and the lines are located in density zone 1 in specified Metropolitan Statistical Areas (MSAs).

9.11.2.5.1 For the purposes of the above paragraph, the following Wire Centers constitute density zone 1 in each of the specified MSAs:

MSA	CLLI	Wire Center Name
Phoenix	PHNXAZMA	Phoenix Main
	PHNXAZNO	Phoenix North

9.11.2.5.1.1 For end user customers located within the Wire Centers specified above, CLEC will determine whether end-users it intends to serve with UNEs have four access lines or more in advance of submitting an order to Qwest for Unbundled Local Switching at UNE rates. If the end-user is served by four access lines or more, CLEC will not submit an order to Qwest for Unbundled Local Switching at UNE rates.

UNE-P is not available for end user customers with four or more access lines located within the Wire Centers specified above.

CLEC Concern(s):

1 AT&T states the FCC has made clear that only those density zone 1 classifications
2 "frozen" as of January 1, 1999, are appropriate to use in applying the unbundled
3 switching exclusion. AT&T requested that Qwest confirm that the wire centers identified
4 above meet this FCC criteria.⁵²

5 AT&T further requests that Qwest confirm whether the identified wire centers include
6 other density zones and, if they do, Qwest should make clear in its SGAT that
7 customers in such density zones are not covered by the exclusion, even if their lines are
8 located in the named wire centers.⁵³

9 AT&T asserts that there is no clarity regarding the terms "end-user," "customer," and
10 "end user customer" which are apparently used interchangeably in Section 9.11.2.5.⁵⁴

11 AT&T asks for clarification on if a CLEC is currently serving a customer using a
12 loop/switch combination, and the customer adds a fourth (or more lines), then will a
13 CLEC still be able to continue to serve that customer using loop/switch combinations.⁵⁵

14 Additionally, AT&T asked for clarification on how the four or more lines for one customer
15 in a density zone 1 central office is determined, by location, by switch or by state?

16 AT&T recommends that this section should also contain an express provision requiring
17 that in no event may Qwest disconnect from service any CLEC customer before
18 arranging for continued uninterrupted service.⁵⁶

19 **AT&T proposed SGAT language:**

20 9.11.2.5.3.1 If a customer has three or fewer lines when the CLEC first
21 begins serving the customer using UNE switching, singly or in combination,
22 the addition by the customer of lines in excess of 3 shall not preclude the
23 CLEC from continuing to serve the customer using UNE switching provided
24 by Qwest.⁵⁷

⁵² AT&T at Page 33

⁵³ AT&T at Page 33

⁵⁴ AT&T at Page 34

⁵⁵ AT&T at Page 34

⁵⁶ AT&T at Page 34

⁵⁷ AT&T at page 34 & 35

1
2 9.11.2.5.3.2 The exclusion shall only apply to a single customer location
3 within the density zone 1 area. Any additional customer locations, whether
4 within the density zone 1 area or outside the density zone 1 area shall not
5 be considered in determining whether more than 3 lines are in use by the
6 customer.⁵⁸

7
8 9.11.2.5.3.3 Aggregated billing for more than one customer location
9 shall not be used in an additive fashion. For example, a customer with one
10 location having 3 lines and a second location having 2 lines could be
11 served by a CLEC using unbundled switching or UNE-P in both locations.⁵⁹

12
13 **Qwest Response:**

14 Qwest asserts that the two Phoenix wire centers meet the FCC definition and are both
15 in Zone 1 and do not include any end user customers outside of Zone 1 density area as
16 defined by the FCC.

17 Qwest does not agree that a CLEC may continue to serve an end user customer in a
18 Zone 1 density wire center with (UNE based) unbundled local switching if the customer
19 adds a fourth line. Under the FCC unbundled switching exemption, Qwest need not
20 offer unbundled switching in Zone 1 wire centers to a CLEC wanting to serve an end
21 user customer with four or more lines in that wire center. The FCC did not suggest in
22 any way that Qwest would need to offer unbundled switching if the CLEC came in
23 "under the wire" and successfully marketed to growing 3 line end user customer.

24 The unbundled switching exemption refers to four or more lines for one end user
25 customer served by a Zone 1 wire center with no reference to a per location
26 requirement. A plain reading of the UNE Remand Order is that if a customer has four or
27 more lines in that wire center, an ILEC is not required to provide UNE based unbundled
28 switching.

⁵⁸ AT&T at Page 35

⁵⁹ AT&T at Page 35

1 Qwest agrees that it would be reasonable to agree to a transition period to assure no
2 disconnection of service for any CLEC's end user customer previously served by Qwest
3 unbundled switching. Qwest will work with the parties to determine an appropriate
4 transition method and timing.

5 Qwest agrees to modify Section 9.11.24 to consistently use the term end user customer
6 throughout.

7 Qwest agrees to AT&T's last three subsections of proposed language and a portion of
8 another regarding lines counted for exclusion, high frequency portion of loop, end users
9 considered in MDUs and ISDN-BRI and does not agree to their first three proposed
10 additions.

11 **Qwest Proposed SGAT Language:**

12 9.11.2.5.1.1 For end user customers located within the Wire Centers
13 specified above, CLEC will determine whether end-users it intends to serve
14 with UNEs have four or more access lines in that wire center in advance of
15 submitting an order to Qwest for Unbundled Local Switching at UNE rates.
16 If the end-user is served by four or more access lines, CLEC will not submit
17 an order to Qwest for Unbundled Local Switching at UNE rates.

18 9.11.2.5.2. Reserved for future use.

19 9.11.2.5.3. UNE-P is not available for end user customers with
20 four or more access lines located within one of the
21 Wire Centers specified above.

22 9.11.2.5.4. Only dial-tone lines shall be used in counting the
23 exclusion. Private line type data lines, alarm or
24 security lines, or any other type of non-dial lines shall
25 not be used in the count.⁶⁰

26 9.11.2.5.5. The high frequency portion of a loop shall not count
27 as a second line.⁶¹

28 9.11.2.5.6. End-users shall be considered individually in MDU
29 buildings or any other multiple use or high-rise
30 building or campus configuration, as long as they are
31 individually billed as the customer of record.⁶²

32 9.11.2.5.7. A basic rate ISDN line counts as one line.⁶³

⁶⁰ AT&T at Page 35

⁶¹ AT&T at Page 35

⁶² AT&T at Page 35

⁶³ AT&T at Page 35

1 **Section 9.11 Issue 4**

2 **CLEC Concern:**

3 AT&T believes that the restriction on unbundled switching should not apply in offices
4 that have severe space or capacity limitations. If space in the Qwest office is
5 insufficient for multiplexing, concentration or the additional equipment needed for
6 providing transport facilities, there should be no restriction on CLEC use of unbundled
7 switching. If Qwest has insufficient Interoffice Facilities (IOF) to provide the transport
8 capability for EELs, there should be no restriction on CLEC use of unbundled switching.
9 In addition, the restrictions should not apply where service is provided using Remote
10 Switching Modules ("RSMs").⁶⁴

11 **Qwest Response:**

12 Qwest does not agree that the FCC's unbundled switching exemption is dependent
13 upon capacity availability for other services in the two Phoenix wire centers. The FCC
14 also made it clear that Qwest has no obligation to build unbundled dedicated transport
15 [UNE Remand paragraph 324] so the suggestion to link the switching exemption with
16 sufficient transport facilities is unfounded.

17 **Section 9.11 Issue 5**

18 **CLEC Concerns:**

19 AT&T expressed two additional concerns regarding unbundled local switching. First,
20 that the SGAT does not include provisions for unbundling the Centrex management and
21 control features of the switch. Second, that the SGAT does not include any provisions
22 notifying CLECs of changes to the switch, including generic software upgrades, and
23 etc.⁶⁵

24 **Qwest response:**

25 Qwest does not agree that Centrex Customer Management is a feature of the switch.
26 However, Qwest agrees to provide access to all central office based Centrex features

⁶⁴ AT&T at Page 35

⁶⁵ AT&T at Page 36

1 and functions, plus Qwest agrees to add access to unbundled Centrex Customer
2 Management System as a feature of unbundled local switching. Qwest does not agree
3 to add language to the SGAT regarding notification of generic software upgrades.
4 Qwest believes the current network disclosure processes are more than adequate to
5 notify CLECs of generic software upgrades.

6 **XII Construction Charges**

7 **Section 9.19 Issue 1**

8 **Current SGAT Language:**

9 9.19 Construction Charges

10 Qwest will conduct an individual financial assessment of any request which
11 requires construction of network capacity, facilities, or space for access to
12 or use of unbundled loops, ancillary and finished services. When Qwest
13 constructs to fulfill CLEC's request for unbundled loops, ancillary and
14 finished services, Qwest will bid this construction on a case-by-case basis.
15 Qwest will charge for the construction through non-recurring charges and a
16 term agreement for the remaining recurring charge, as described in the
17 Construction Charges Section. When CLEC orders the same or
18 substantially similar service available to Qwest end users, nothing in this
19 Section shall be interpreted to authorize Qwest to charge CLEC for special
20 construction where such charges are not provided for in a tariff or where
21 such charges would not be applied to a Qwest end user.

22 **CLEC Concern(s):**

23 AT&T states this section appears to be inconsistent in some respects with Section 19.0
24 of the SGAT. AT&T suggests that the language regarding construction charges be
25 eliminated from this section. AT&T further suggests that Qwest describe with precision
26 the ancillary and finished services that apply under Section 19.0.”⁶⁶

27 **Qwest Response:**

28 This section is not inconsistent with Section 19.0, as AT&T asserts. Section 19.0
29 specifically states that requests to build loops will be handled “as described in the

⁶⁶ AT&T at Page 24

1 applicable section of this Agreement.” That is exactly what Section 9.19 is, and the two
2 sections are consistent.

3 The “ancillary services” identified above generally refers to the list of ancillary services
4 contained in Appendix A of the SGAT. In the context of the SGAT, a “finished service”
5 is a complete end to end service that is provided to a wholesale or retail customer. This
6 would generally include everything other than UNEs or UNE combinations. Given the
7 volume and variety of finished services, Qwest cannot begin to provide a
8 comprehensive list in this section.

9 **XII Unbundled Network Elements Combinations (UNE Combinations)**

10
11 **9.23 Unbundled Network Elements Combinations (UNE Combinations)**
12

13 As identified above, the CLECs have identified numerous issues regarding Section 9.23
14 (UNE Combinations). Because some of the proposed changes relate to the
15 fundamental structure of Section 9.23, and because much of the language submitted by
16 CLECs is in conflict, I will not address the issues concerning Section 9.23 by each
17 subsection of the SGAT, as I have done with the remainder of Section 9.

18 I will instead address the major concerns raised by the CLECs and provide Qwest's
19 position relating to those concerns. Qwest is in the process of redrafting Section 9.23,
20 and will provide a redlined version on Monday.

21 Many of the CLECs' concerns relate to their fundamental skepticism that Qwest will
22 provide the combinations required by the FCC, and whether the SGAT commits Qwest
23 to comply with the applicable laws and regulations relating to UNE combinations.
24 Qwest is committed to providing all required forms of UNE combinations and will
25 address this issue in the revised Section 9.23. For example, to alleviate these
26 concerns, Qwest will add to Section 9.23 the following language that was suggested by
27 WCOM:

28 9.23. 1.2 Qwest will offer to CLEC UNE Combinations, on rates,
29 terms and conditions that are just, reasonable and non-discriminatory in
30 accordance with the terms and conditions of this Agreement and the
31 requirements of Section 251 and Section 252 of the Act, the applicable

1 FCC rules, and other applicable laws. The methods of access to UNE
2 Combinations described in this section are not exclusive. Qwest will make
3 available any other form of access requested by CLEC that is consistent
4 with the Act and the regulations thereunder. CLEC shall be entitled to
5 access to all combinations functionality as provided in FCC rules and other
6 applicable laws.

7 Several CLECs have submitted extensive testimony regarding alleged problems they
8 have had in the past with the former U S WEST when they attempted to negotiate terms
9 to order UNE-P. Qwest does not agree with many of these allegations, but Qwest has
10 decided to focus its testimony and Qwest's current commitment to meeting its complete
11 obligations in regard to UNE Combinations.

12 Qwest admits that its policies and procedures have changed from the policies of the old
13 U S WEST. U S WEST challenged its obligation to provide UNE-P, and the Eighth
14 Circuit agreed. The Supreme Court has disagreed with the Eighth Circuit, and the FCC
15 has clarified Qwest's obligation to provide UNE-P in the UNE Remand Order. Qwest
16 has since that time been developing its processes, policies and procedures for
17 processing UNE-P orders. That development has not been without problems, but
18 Qwest has learned from its experience and is confident that it can process CLECs'
19 reasonably foreseeable demand for UNE-P orders.

20 Following is a summary of the issues raised by the parties regarding their general UNE
21 Combination concerns. Qwest will address these concerns in the revised Section 9.23
22 in which Qwest details its present commitment to UNE Combinations.

23 Z-Tel, AT&T, e-spire, Eschelon and WCOM all state that Qwest must commit to making
24 available all the required forms of UNE combinations.

25 Several CLECs asked that all references to the term "pre-existing" be deleted from the
26 SGAT.⁶⁷ In light of the 9th circuit opinion, Qwest will remove all references to "pre-
27 existing" in the Arizona SGAT.

⁶⁷ Eschelon at Page 33

1 The CLECs expressed concerns about Qwest non-recurring charges. Qwest will modify
2 Section 9.23 to limit nonrecurring costs to reasonable charges for actual work done by
3 Qwest in combining elements and provisioning the requested combination.

4 Several CLECs identified that the FCC has stated expressly that the test for "Significant
5 Amount of Local Exchange Traffic" is a "*temporary*" constraint until it resolves the issues
6 in the Fourth NPRM. See, e.g., FCC Supp. Order Clarification, ¶ 8 (June 2,
7 2000)(emphasis added). Qwest believes the FCC concept of "temporary" requirement
8 for significant local exchange service on EELs can be addressed in the change of law
9 provision in Section 2.2, along with other possible changes in legal requirements.

10 AT&T suggests that Qwest must include language in the SGAT that assures CLECs
11 that Qwest will not disconnect UNEs that are currently combined unless the CLEC
12 specifically requests that they be separated. Qwest will include language in the SGAT
13 that assures CLECs that Qwest will not disconnect UNEs that are currently combined,
14 unless the CLEC specifically requests that they be separated.

15 Z-Tel recommends that the Commission implement an expedited process for adopting
16 interconnection agreements under section 252(i) of the federal Communications Act,
17 and develop expedited processes for the implementation of Commission decisions.⁶⁸
18 Qwest believes that the Z-Tel recommendation that the Commission implement an
19 expedited process for adopting interconnection agreements under section 252(i) of the
20 federal Communications Act would best be addressed in the GSAT docket so that all
21 interested parties can participate.

22 Several CLECs have proposed that the SGAT be amended to provide that the CLECs
23 can order any, all, or any combinations of the features, functions and capabilities of the
24 switch.⁶⁹ Section 9.23 will state that the CLECs can order any, all, or any combinations
25 of the features, functions and capabilities of the switch, as required by law.

⁶⁸ Z-Tel at page 3 & 4

⁶⁹ AT&T at Page 55

1 E-spire states the co-mingling and aggregation of EEL-eligible special access circuits
2 onto a high-capacity DS-3 transport facility that also carries ancillary services (such as
3 911 access) in no way bars the eligibility of the special access circuits for conversion to
4 an EEL at UNE pricing under the FCC's *Supplemental Order Clarification*.⁷⁰ Qwest
5 recommends that the e-spire proposal requiring Qwest to permit unbundled loop-
6 transport combinations to be combined with its tariffed special access services be
7 deferred. E-spire has already put this issue before the FCC. Attached in Exhibit KAS 3
8 is Qwest's written ex parte response to this request. Qwest believes the FCC is in the
9 best position to rule on the merits of this request.

10 In summary, at the request of CLECs, Qwest has spent its "rebuttal" time working hard
11 to understand, accommodate and make critical adjustments to its Section 9.23
12 language that it will file with the interested parties on Monday October 2, 2000. Qwest
13 believes its new SGAT language will provide a forum for a very productive and efficient
14 workshop on October 11-13, 2000.

15
16

⁷⁰ e-spire at Page 3

INDEX OF EXHIBITS

DESCRIPTION	EXHIBIT NUMBER
Oregon Commission Staff Report	KAS 1
Vertical Features List	KAS 2
Qwest Response to E.spire Exparte	KAS 3a
Qwest Diagram	KAS 3b

ITEM NO. 2

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: March 17, 2000**

REGULAR AGENDA X CONSENT AGENDA EFFECTIVE DATE

DATE: March 9, 2000

TO: Bill Warren through Phil Nyegaard through Dave Booth

FROM: Celeste Hari

SUBJECT: Docket AR 371 - Petition by Six Competitive Local Exchange Carriers to Open a Rulemaking Docket Regarding a "Fresh Look Window."

SUMMARY RECOMMENDATION:

Staff recommends that the Commission decline to open a rulemaking docket, but open a general investigation docket instead.

DISCUSSION:

On September 27, 1999, Mark Trinchero of Davis Wright Tremaine L.L.P. filed a petition to adopt a rule on behalf of Advanced Telecommunications, Inc.; Advanced TelCom Group, Inc.; and the Western States Competitive Telecommunications Coalition¹ (Petitioners). The petition has been scheduled for consideration at five previous public meetings. The item was removed from the October 19, 1999, November 16, 1999, December 14, 1999, and the February 8, 2000, agendas at the request of the petitioners. The petition was removed from the January 18, 2000, agenda at the Commission's request. In each case Petitioners requested that the filing date of the petition be changed in order to comply with ORS 183.390 and OAR 137-001-0070, which requires the Commission to act on a petition for rulemaking within 30 days of the file date. The current file date for this petition is March 1, 2000.

The petition proposes a rule establishing a "Fresh Look Window" during which customers would be released from term contracts with incumbent local exchange carriers (ILECs) without incurring early termination penalties. A copy of the petition and the proposed rule are attached to this memo. Comments on the petition have been received from the Telecommunications Resellers Association (TRA), CompTel, GTE Northwest, Inc., and U S WEST Communications, Inc. Copies of the comments have been provided to the Commission.

Petitioners filed a reply to comments along with several customer affidavits on March 2, 2000. A copy of those documents has been provided to the Commission. In the reply, Petitioners indicated that in the absence of Staff support for a rulemaking docket, a general investigation docket would be reasonable.

¹ The Western States Competitive Telecommunications Coalition represents the interests of facilities-based competitive local exchange carriers in western states; specifically, Advanced TelCom Group, Inc.; Electric Lightwave; GST Telecom Oregon; and NEXTLINK, Oregon.

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Petitioner's proposed rule would allow customers of the four largest incumbent local exchange carriers (ILEC) who have chosen a term contract for telecommunications service, to have a time period to take a "fresh look" at their contracts when a competitive local exchange carrier (CLEC) begins to serve in the area.² An ILEC customer would be able to opt out of its current ILEC contract without incurring any contractual termination penalties, in order to choose service from a CLEC. The petition alleges that the rule is necessary because customers are unable to choose service from a CLEC due to term contracts with the ILECs that contain termination penalties. The petition states that customers may be ignorant of the penalties and therefore should not have to be bound by them. The petition also states, "The effect of an ILEC's charging high fees for month-to-month service, and providing discounts for long-term contracts is in itself anti-competitive, and especially so when coupled with termination penalties."

Staff has several objections to a rulemaking docket:

1. Staff believes this petition is premature, as the issue of a Fresh Look Window is presently before the Federal Communications Commission (FCC) in CC Docket 99-142. The docket before the FCC contains allegations that contract termination penalties are an issue nationally and asks the FCC not only to provide a Fresh Look Window, but also to rule that the contracts and penalties are illegal. The FCC comment period has ended and a ruling is pending. The petition before this Commission now is almost identical to what was filed at the FCC. A Commission rulemaking at this time is likely to duplicate what is taking place at the FCC. The issue may be settled on the national level and render the Oregon petition moot.
2. The petition notes that some states have put similar rules in place and therefore, Oregon should follow suit. However, most of the states that have adopted fresh look rules concluded their investigations long before the petition was filed at the FCC. The rules in place for Ohio and New Hampshire were proposed in 1996 and adopted in 1997. The rules in these states are more narrowly focused than what is proposed in this petition. Those rules also provide for ILEC recovery of costs where the current proposal does not. These states were not faced with the issue of duplicating the efforts of the FCC since the FCC petition was filed in April of 1999. The Washington Utilities and Transportation Commission recently denied a petition for a fresh look period filed by the same group of petitioners.
3. The petition is a generic document with few specifics. The petition is very broad in stating what contracts would fall under the rule. As written, any term contract, whether tariffed or special, would be subject to a Fresh Look Window. The original petition lacks evidence to convince staff that early termination penalties are a prevalent problem in Oregon. There is only one brief reference to an incident involving one of the six Petitioners. The petition does not state that this incident occurred in Oregon. Nor does the incident seem to involve an early termination penalty. Staff checked with the PUC Consumer Services Division, which reported only two complaints in the last year involving the issue of termination liabilities. Attached to Petitioner's reply comments of March 2, 2000, are several customer

² U S WEST Communications, GTE, Sprint United, and CenturyTel..

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affidavits which purport to show there is a termination liability problem in Oregon. Staff has not investigated those allegations. The ILECs have not had opportunity to respond.

4. Staff also examined some ILEC special contracts and tariffs.³ Early termination penalties do not appear to be unreasonable, although they are substantial and penalties become due and payable immediately. A customer who opts out of a contract early is generally liable for a portion or all of the remaining charges under the contract. Each service under contract may have its own individual termination liability. That fact is commonly noted in the contract. The special contracts that staff examined contain paragraphs specifically labeled as termination liabilities. The special contract liabilities are calculated in a manner similar to those penalties found in the tariffs.
5. Aside from the persuasiveness of the petition and the timing, staff has concerns about the merits of the proposed rule itself. The use of term contracts is common practice within the industry, by both CLECS and ILECS. The petition expresses a desire for parity between the ILECs and the CLECs. However, the rule does not include a provision for a Fresh Look Window for customers who want to move from a CLEC to an ILEC or from one CLEC to another CLEC. The Petitioners' proposed rule would set up a form of disparity between the current CLECs and any CLEC that may enter the market after the Fresh Look Window closes.

The petition would be advantageous for the CLECs involved in the petition and perhaps for those who are currently poised to enter the market. However, it ignores the broad effect on the ILECs and subsequent CLECs that enter the market. A contract price is generally discounted to provide customer incentive to sign up. Those costs associated with the discount price are recovered over the term of the contract. The cost of releasing customers from contracts without penalties would not be recoverable by the ILECs and could be reflected in the company's rates. If customers are allowed to simply opt out of the contracts, a form of price discrimination has taken place. Those customers who did not take a term contract will have paid more for service than those who had a contract with discounts but were allowed to opt out with no penalties.

Staff believes that a rulemaking docket is not the appropriate forum for examining the term contract situation. Moving ahead to a rulemaking process at this time presumes that the Commission should indeed require a fresh look window. Staff does not believe the petitioners have shown that such a requirement should be imposed at this time. However, Staff believes that the Petitioners have submitted enough information to warrant looking into the term contract situation in a general investigation docket. A general investigation will allow the parties to present their cases for and against a fresh look window. If the Commission is convinced that a fresh look window is warranted, then rulemaking may be appropriate.

³ Contracts are generally term pricing agreements entered into pursuant to tariffs. The tariffs describe applicable early termination penalties. The customer receives discounted pricing in exchange for a specific time commitment. The amount of discount increases with the length of time commitment.

Fresh Look Petition
March 9, 2000
Page 4

STAFF RECOMMENDATIONS:

Staff is sympathetic to the difficulty that the CLECs have in capturing customers. However, given that the FCC is poised to render a decision and the deficiencies of this petition, staff believes it is prudent to deny the rulemaking petition at this time. In the alternative, Staff recommends that the Commission open a proceeding to investigate the issue of term contracts and ILEC termination penalties and their impact on consumers and competition.

ORDER NO. 00-177

ENTERED March 29, 2000

This is an electronic copy. Attachments may not appear.

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 371

In the Matter of a Petition to Adopt a Rule)	
Allowing a Fresh Look Period for Eligible)	
Contracts with Incumbent Local Exchange)	ORDER
Carriers.)	

DISPOSITION: PETITION DENIED; DOCKET CLOSED

On September 27, 1999, Advanced Telecommunications, Inc.; Advanced TelCom Group, Inc.; Electric Lightwave, Inc.; GST Telecom Oregon, Inc.; McLeodUSA Incorporated; and NEXTLINK Oregon, Inc., (Joint Petitioners) filed with the Commission a Petition to adopt a rule allowing a "fresh look" period for eligible contracts with incumbent local exchange carriers. Subsequently, on October 13, 1999; November 5, 1999; December 1, 1999; January 5, 2000; and February 2, 2000, Joint Petitioners requested that the Commission pull the item from consideration at the regular Public Meeting. In the Joint Petitioners' letter of February 2, they asked that the filing date of the petition be changed to March 1, 2000, for consideration at the March 17, 2000, Public Meeting. Letters in support of the petition were filed by Telecommunications Resellers Association, Competitive Telecommunications Association, and UNICOM. Opposition to the petition was filed by GTE Northwest Incorporated and U S WEST Communications, Inc., (USWC). On March 3, 2000, Joint Petitions filed a response to USWC's opposition.

In its Staff Report for the March 17, 2000, Public Meeting, the Commission Staff recommended that the Commission decline to open a rulemaking docket and instead open a general investigation. The Staff Report is attached as Appendix A. After discussion at the Public Meeting, the Commission adopted in part Staff's recommendation to decline to open a rulemaking proceeding. However, the Commission also declined to open an investigation proceeding.

ORDER NO. 00-177

ORDER

IT IS ORDERED that:

1. Joint Petitioners' petition to adopt a rule allowing a Fresh Look period for eligible contracts with incumbent local exchange carriers is denied; and
2. Docket AR 371 is closed.

Made, entered, and effective _____.

Ron Eachus
Chairman

Roger Hamilton
Commissioner

Joan H. Smith
Commissioner

A person may petition the Court of Appeals to determine the validity of a rule pursuant to ORS 183.400.

Vertical Features

Call hold	EAB
Call transfer	EO3
Call Pick-up	E3PPK
3-way calling	ESC
Call waiting	ESX
Distinctive ringing	DHA
Speed calling	E3D
Station dial conferencing	GVT
Call forward busy	EVB
Call forward don't answer	EVD
Call forward variable	ESM
Call forward variable remote activate	AFD
Message Waiting Indicator Audible/visible	M1W
CLASS call waiting	NWT
CLASS name /#	NNK
CLASS calling # delivery	CGL
CLASS calling # delivery blocking	NKM
CLASS continuous redial	NSS
CLASS last call return	NSQ
CLASS priority call	NSK
CLASS selective call forwarding	NCE
CLASS selective call rejection	NSY
CLASS anonymous call rejection	AYK
CLASS park & store (avail Western only)	CP9
Secretarial Listing	9FK
Additional Directory Listing	CLT
Number Search	CNEPG
Foreign Listing	DAL
Speed Call 8	E8C
E-Mail Listing	EM6
Interexchange Receiving Service	ENT
CFBL Customer Programmable	ERB
CFDA Customer Programmable	ERD
Call Forward, Busy Line - External, Don't Answer	EVF
Call Forward, Busy Line - Overflow, Don't Answer	EVK
Call Forward, Busy Line - Overflow	EVO
Additional Listing in Another Directory	FAL
Call Forward, Busy Line - Expanded	FBJ
Call Forward, Don't Answer - Expanded	FDJ
Free Line Service	FLS
Call Forward, Variable - No Call Completion Option	FOQ
Call Forward, Busy Line, Don't Answer	FVJ
Billing Chg for Joint User	JND
Joint User Listing	JUF
Joint User Service	JUM
Directory Listing	L96

Wireless Radio or Cellular Unit Listing	LMS
Misc Svc-Used to Bill Directory Lstg-Non U S WEST+	MHS
WATS Listings	MSA
URL Listing	NL1
Non-Listed Service at No Charge	NLE
Non-Listed Service	NLT
Discounted Additional Listing	NLYXA
Discounted Foreign Listing	NLYXB
Discounted Informational Listing	NLYXC
Non-Published Service at No Charge	NP3
Long Distance Denial	NPAPL
Charge to Restore Service	NPP
Non-Published Service	NPU
No Solicitation Calls Directory Listing	NSW
Intercompany Foreign White Page Listing	NWP
Custom Ringing First Line (Short/Short)	RGG1A
Custom Ringing First Line (Short/Short/Long)	RGG1B
Custom Ringing First Line (Short/Long/Short)	RGG1C
Custom Ringing Second Line (Short/Short)	RGG2A
Custom Ringing Second Line (Short/Short/Long)	RGG2B
Custom Ringing Second Line (Short/Long/Short)	RGG2C
Custom Ringing Third Line (Short/Short)	RGG3A
Custom Ringing Third Line (Short/Short/Long)	RGG3B
Custom Ringing Third Line (Short/Long/Short)	RGG3C
Additional Listing	RLT
Directory Listing in Alpha Form	RNCAF
Easy Number	RNCEP
Restriction of 976 Calls	RTVXN
10XXX Direct Dialed Blocking	RTVXY
Toll Restriction Service Individual & Key Lines	RTY
Toll Restriction Service Individual & Key Lines	RTY
No Solicitation	SB5
Split Number Referral Service	S1W3X
Split Referral Intercept Service - 9 Months	S1W9X
Split Referral Intercept Service - 6 Months	S1WSX
Split Referral Intercept Service - 12 Months	S1WTX
Selective Carrier Denial Service	SCG4X
Selective Carrier Denial 900 Service	SCG9X
Service Provisioning ChargeSubsequent	SCHAX
Selective Class of Call Screening per Access Line	SEA
Selective Class of Call Screening per Line or Trunk	SRG
Additional Listing in Another Directory	SZS
Directory Line of Information	XLL
Primary DN	
Secondary DN	
Multiple Shared Call Appearances of a DN	
Anonymous Call Rejection	
Automatic Callback	
Call Drop	

Call Exclusion
Call Forwarding - Busy Line
Call Forwarding - Don't Answer
Call Forwarding - Variable
Call Hold
Call Park
Call Pickup
Call Transfer
Call Waiting
Caller Identification Number
Calling Identity Delivery
on Call Waiting - Number
Centrex Management System[1]
Conference Calling
3-Way
6-Way
Meet Me
Preset
Data Call Protection
Direct Dialing/Originating Terminating
Display
Distinctive Ringing/
Distinctive Call Waiting Tone
Directed Call Pickup
Barge-in
Non Barge-in
Executive Busy Override
Hunting
Individual Line Billing
Intercept
Inspect
Incoming Calling Identification
Intrasystem Calling
Intercom
Last Number Redial
Make Set Busy
Message Waiting Service
Multiple Appearance Dir No (MADN)
Network Speed Call
Night Service (Trunk Answer any Station)
Outgoing Calling Line ID
Outgoing Trunk Queuing
Priority Calling
Ringing Option
Speed Calling - 1 & 2 digit list
Standard Config. Group
Station Message Detail Recording (SMDR)[1]
Subaddress Reservation
Account Codes

Additional Secondary DN
Additional X.25 Port Options
Closed User Group
Incoming Calls Barred
Additional Logical Channel
Outgoing Calls Barred
Permanent Virtual Circuit
Reverse Charge Acceptance
Reverse Charge Option
Analog Call Appearance
Attendant Access Line Service
Authorization Codes
Automatic Route Selection (ARS)
Expensive Route Warning Tone
Facility Restriction Level
Time of Day Control
B-Channel Packet Switching
Call Exclusion - Automatic
Call Forward Don't Answer - Customer Programmable
Call Forward Busy - Customer Programmable
Call Forwarding via Private Facilities
Custom Calling Services
Caller Identification - Name[2]
Continuous Redial
Call Trace
Selective Call Forwarding
Priority Call
Last Call Return
Selective Call Rejection
Digital Facility Interface
Direct Inward System Access (DISA)
Electronic Key Set Option Package[1]
Auto Answer Back
Automatic Dial
Automatic Line

Automatic Line
Business Set Call Forward Per Key
Business Set Inspect Key
Call Forward Reason Display
Direct Station Selection/Busy Lamp Field
Display Called Number
Display Calling Number
Executive Message Waiting
Fast Transfer
Group Intercom
Group Intercom All Calls
Key Short Hunt
Last Number Redial Set - (functional capability of the set)
MADN (Multiple Appearance Directory Number)
Message Center
Message Waiting Set
Music on Hold - Electronic Set
Originating/Terminating Line Select
Privacy Release
Query Time
Station Camp-On
Hot Line (Direct Connect)[2]
Loudspeaker Paging (Trunk Access)
Music on Hold
Music on Hold System
Nonstandard Configuration Group - (functional capability of ISDN)
Time of Day NCOS (Network Class of Svc)
Time of Day Routing
Trunk Verification From Designated Station
Uniform Call Distribution
Uniform Call Distribution Hunt for Circuit Switched Data



Qwest
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Facsimile 202.296.5157

Melissa E. Newman
Vice President-Federal Regulatory

September 29, 2000

EX PARTE

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

RE: Written *Ex Parte* Statement of Qwest Corporation, Inc. in Response to Written *Ex Parte* Statement of e.spire Communications, Inc. Regarding the Conversion of Special Access Circuits to Unbundled Network Elements in CC Docket 96-98

Dear Ms. Salas:

The purpose of this ex parte is to respond to the letter filed by e.spire Communications, Inc. ("e.spire") on September 7, 2000 complaining that Qwest¹ is refusing to convert unbundled network elements ("UNEs") that will be combined with its tariffed special access services. Apparently, e.spire believes Qwest must allow unbundled loop-transport combinations to be combined with its tariffed special access services or be willing to perform any necessary "regrooming" of e.spire's facilities at no charge. Qwest believes that e.spire's demand does not comport with the Commission's June 2, 2000 *Supplemental Order Clarification* in CC Docket No. 96-98, FCC 00-183 or the definition of a UNE under Section 251(c) of the 1996 Act.²

¹ On June 30, 2000, U S WEST, Inc., the parent and sole shareholder of U S WEST Communications, Inc., merged with and into Qwest Communications International Inc. Further, on July 6, 2000, U S WEST Communications, Inc. was renamed Qwest Corporation.

² 47 U.S.C. Section 251(c).

The Commission established clear guidelines on the conversion of unbundled loop transport combinations in its *Supplemental Order Clarification*. In particular, the Commission found that the three options for satisfying the “significant amount of local exchange service” requirement presented in a February 28, 2000 Joint Letter submitted by a coalition of Incumbent Local Exchange Carrier’s (ILEC’s) (including Qwest) and Competitive Local Exchange Carrier’s (CLEC’s) represented a reasonable compromise and adopted them as a safe harbor. Each of the three local usage options endorsed by the Commission “does not allow loop-transport combinations to be connected to the ILEC’s tariffed services.”

Indeed, the Commission expressly rejected the suggestion that it eliminate the prohibition on “combining loops or loop-transport combinations with tariffed special access services” in the local usage options. The Commission was concerned that removing this prohibition could lead to the use of unbundled network elements by carriers solely or primarily to bypass special access services. Although the Commission referred to the combination prohibition as a “commingling” prohibition, that term is somewhat misleading because there is no prohibition on the type of traffic that can be carried over an ILEC’s tariffed special access services. Rather, the Commission confirmed that an ILEC may prohibit UNE loop-transport combinations from being combined with its tariffed transport service.

What e.spire is seeking to do is convert only the DS1 portion of its special access service to unbundled DS1 circuits at UNE rates. In e.spire’s current configuration, all of the DS1 circuits it is requesting to convert to UNE rates are connected to tariffed DS3s which are not eligible for conversion under the *Supplemental Order Clarification*. Therefore, in e.spire’s requested configuration, these unbundled DS1 circuits would be combined with Qwest’s tariffed DS3 special access services. Fundamentally, a rule that would require an ILEC to combine UNE loop-transport combinations with its tariffed transport service in this manner would be contrary to the entire UNE structure, as it would simply create a new tariffed service at a lower price. A special access service is a point-to-point service. If an ILEC provides a UNE loop “facility” from the customer premises to a wire center and connects that facility directly to its tariffed point-to-point special access service between a wire center and another premises (or Point of Presence), the result is simply a unified special access service between the two end points. The only difference would be the price of the service. Clearly, tariffed special access services are not UNEs, and carriers purchasing special access services must pay the tariffed rate for the service.

Further, if the Commission were to define a new UNE consisting of a UNE loop connected by the ILEC to the ILEC’s tariff special access circuit, that UNE would not satisfy the impairment standard for unbundling set forth in Section 251(d)(2) of the 1996 Act. As discussed above, the end-to-end circuit would be nothing more and nothing less than a special access circuit. It would be essentially circular to claim that failure to obtain access to a special access circuit impeded competition when that same special access circuit already is available -- under tariff -- as required by the Commission. It should also be noted that requiring ILECs to combine UNEs and tariffed services on behalf of requesting carriers would directly contravene the Eighth Circuit’s recent

decision³ reaffirming that the Commission does not have the authority to mandate UNE combinations.

It should not be surprising that carriers such as e.spire might need to reconfigure their legacy networks in order to take advantage of the rate reductions available under the *Supplemental Order Clarification*. However, the fact that e.spire has chosen to provide local exchange service using Qwest's federally tariffed special access services does not mean it is entitled to have Qwest regroom these circuits for free. If anything, this shows that carriers can provide competitive local service without receiving access to loop-transport combinations at UNE rates. In any event, Qwest's federally tariffed regrooming rate of \$122.50 per circuit provides a cost-efficient means for e.spire to reconfigure its network consistent with the *Supplemental Order Clarification*. For example, in one Central Office e.spire could regroom 67 DS1 circuits at a cost of \$8,207.50 and receive the benefit of \$10,176 in savings off the monthly tariffed rate for these circuits. *That means e.spire would recover the cost of regrooming the 67 circuits in just 25 days, and the savings would continue as long as the circuits are in service.* (See Attachment 1) e.spire would experience additional savings after it regrooms because it would have to convert the DS3s that carry the UNE-C DS1s to combinations, thereby receiving the benefit of UNE rates. Moreover, once this one-time regrooming is performed, e.spire would be in a good position to add new local service customers using UNE loop-transport combinations.

In summary, there is no basis for e.spire's demand that Qwest reconfigure its existing network at no charge to facilitate the conversion to UNE rates. Qwest reasonably expects that e.spire should be willing to pay the relatively modest cost of regrooming its existing circuits in order to take advantage of the significant rate reductions available under the *Supplemental Order Clarification*.

Sincerely,

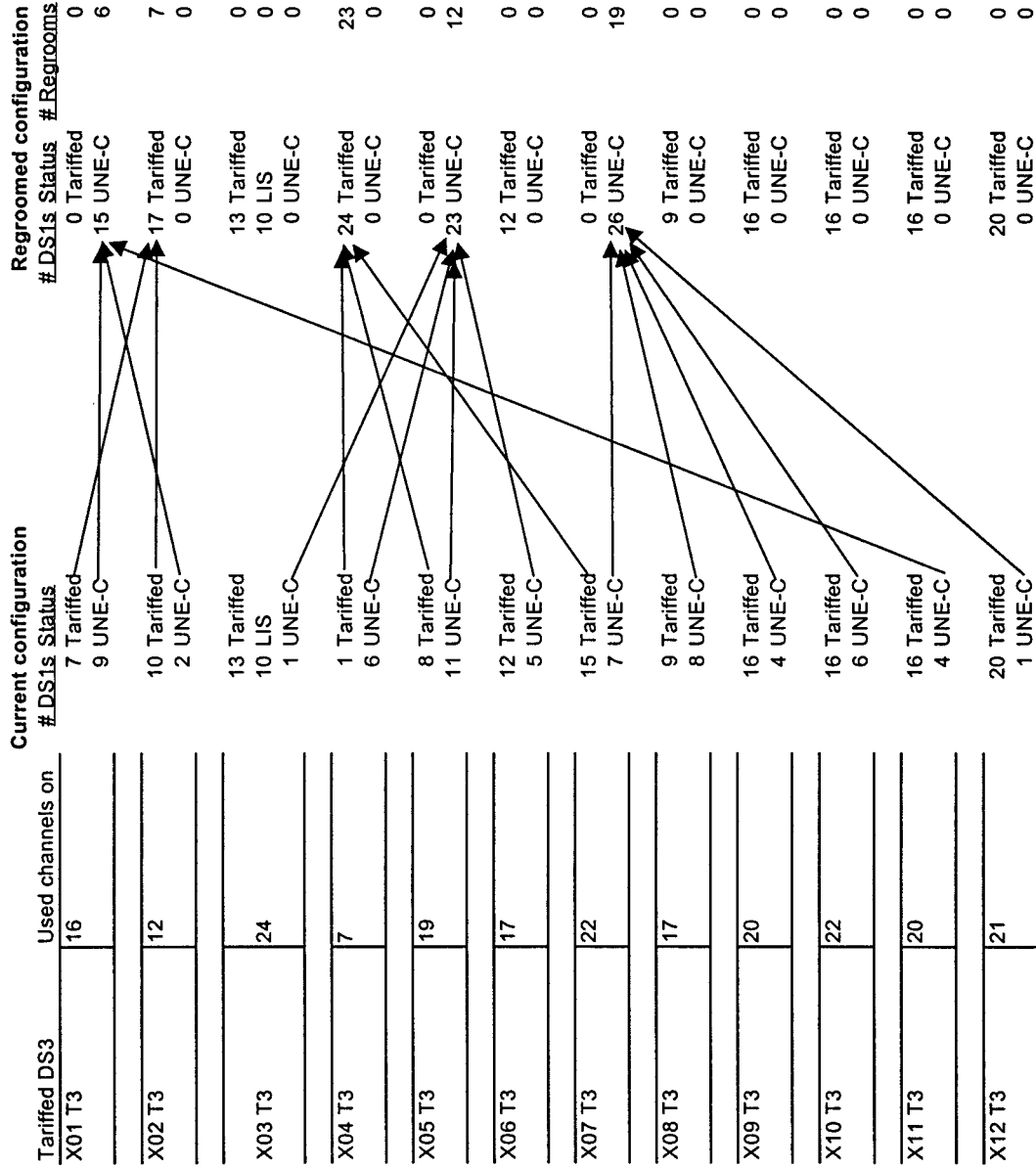
Melissa E. Newman
Vice President-Federal Regulatory
Qwest

³ Iowa Utils. Bd. v. FCC, 219 F.3d 744 (D.C.Cir. 2000).

Regrooming example:

Specific circuit information withheld to protect proprietary customer information.

ILLUSTRATIVE, NOT INTENDED TO REPRESENT MOST EFFICIENT REGROOMING



Regrooming example:
Specific circuit information withheld to protect proprietary customer information.

ILLUSTRATIVE, NOT INTENDED TO REPRESENT MOST EFFICIENT REGROOMING

Tariffed DS3 X01 T3	Used channels on	Current configuration # DS1s Status	Regroomed configuration # DS1s Status # Regrooms
	16	7 Tariffed	0 Tariffed 0
Total # DS1s		<div> <p>In the regroomed configuration there are no DS3s that carry both UNE-C and Tariffed services. The pure DS3s that carry only UNE-C DS1s can (and must) be converted to UNE-C so that "their" DS1s can be converted.</p> </div>	
Tariffed	64		
LIS	10		
UNE-C	143		
Total	217		
Total DS1s regroomed			
FCC regroom rate		67	
Total regroom charges		\$ 122.50	
		\$ 8,207.50	
Approx conversion savings			
Payback period		\$10,176 per DS1, based on all circuits requested to be converted	
		25 calendar days, based on a 31 day month	